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# Letter dated 20 April 2011 from the Chair of the Security Council Committee established pursuant to resolution 1572 (2004) concerning Côte d'Ivoire addressed to the President of the Security Council

On behalf of the Security Council Committee established pursuant to resolution 1572 (2004) concerning Côte d'Ivoire, and in accordance with paragraph 12 of Security Council resolution 1893 (2009), I have the honour to transmit herewith the final report of the Group of Experts on Côte d'Ivoire (see annex).

I would appreciate it if the present letter and its annex were brought to the attention of the members of the Council and issued as a document of the Council.

(*Signed*) Maria Luiza **Ribeiro Viotti**
Chair
Security Council Committee established pursuant
to resolution 1572 (2004) concerning Côte d'Ivoire

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## Annex

### Letter dated 17 September 2010 from the Group of Experts on Côte d'Ivoire addressed to the Chairman of the Security Council Committee established pursuant to resolution 1572 (2004)

The members of the Group of Experts on Côte d'Ivoire have the honour to submit herewith the final report of the Group, prepared in accordance with paragraph 12 of Security Council resolution 1893 (2009).

Group of Experts on Côte d'Ivoire

(*Signed*) Grégoire **Bafouatika**

(*Signed*) James **Bevan**

(*Signed*) Ilhan **Berkol**

(*Signed*) Noora **Jamsheer**

(*Signed*) Joel **Salek**

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## Abbreviations

| | |
|---|---|
| ANAC | Autorité nationale d'aviation civile |
| ASECNA | Agence pour la sécurité de la navigation aérienne en Afrique et à Madagascar |
| CGFCC | Comité de gestion de la filière café-cacao |
| EC | European Community |
| FAFN | Forces armées des Forces nouvelles |
| FDS-CI | Forces de défense et de sécurité de Côte d'Ivoire |
| FDS-FN | Forces de défense et de sécurité des Forces nouvelles |
| FOB | Free on Board |
| GDP | Gross domestic product |
| IMF | International Monetary Fund |
| KP | Kimberley Process |
| KPCS | Kimberley Process Certification Scheme |
| KP WGDE | Kimberley Process Working Group Diamond Experts |
| OIC | Office ivoirien des chargeurs |
| PETROCI | Société nationale d'opérations pétrolières de la Côte d'Ivoire |
| SODEMI | Société pour le développement minier de la Côte d'Ivoire |
| UEMOA | Union économique et monétaire Ouest Africaine |
| UNOCI | United Nations Operation in Côte d'Ivoire |

# I. Introduction

1. In a letter addressed to the President of the Security Council dated 15 December 2009 (S/2009/646), the Secretary-General announced his appointment of the members of the Group of Experts on Côte d'Ivoire, as follows: James Bevan (United Kingdom of Great Britain and Northern Ireland, arms expert and Coordinator), Grégoire Bafouatika (Congo, aviation expert), Ilhan Berkol (Turkey, customs expert), Noora Jamsheer (Bahrain, diamond expert) and Joel Salek (Colombia, finance expert). A consultant, Manuel Vasquez-Boidard, and a Political Affairs Officer of the United Nations Secretariat, Manuel Bressan, assisted the Group.

2. The Group of Experts commenced its work on 12 January 2010 and presented its midterm report (S/2010/179) in April 2010. The present document is the final report of the Group, submitted in accordance with paragraph 12 of Security Council resolution 1893 (2008). It presents to the Council the results of the Group's mandated investigations, which will be transmitted by the Security Council Committee established pursuant to resolution 1572 (2004) concerning Côte d'Ivoire (hereinafter the "Sanctions Committee").

3. The Group maintained a continuous presence in Côte d'Ivoire and conducted numerous inspections of military equipment and installations in all major regions of the country, in addition to conducting field-based investigations throughout Côte d'Ivoire on all aspects of the sanctions regime. The Group held numerous meetings with Member States, relevant international organizations and Government authorities in Côte d'Ivoire (see annex I) to obtain background information for its detailed investigations, primarily in the region.

4. The Group's findings indicate that Côte d'Ivoire faces a period of continued division. None of the parties to the conflict have taken effective steps to begin the reunification of the country. The political debate in the lead-up to elections, which have been promised for 31 October 2010, suggests that the Ivorian political parties are unwilling to take meaningful steps to reunify Côte d'Ivoire. Reunification has stalled.

5. The Group remains concerned about the impact of the future political trajectory of Côte d'Ivoire on the sanctions regime. Despite the arms embargo, northern and southern Ivorian parties are rearming and re-equipping with weapons and related materiel or are rehabilitating existing military assets.

# II. Investigation methodology

6. The Group prioritized field-based investigations throughout Côte d'Ivoire and neighbouring States, but also reviewed documentary evidence provided by States and national, regional and international organizations and private companies.

7. In each of its investigations, the Group sought incontrovertible documentary evidence to support its findings, including physical evidence provided by markings applied to arms and ammunition. When such specific evidence was not available, the Group required at least two independent and credible sources to substantiate a finding.

8. The Group conducted investigations in each of its mandated fields of investigation to evaluate potential violations of relevant Security Council sanctions. The Group's findings vis-à-vis States, individuals and companies were, to the extent

possible, brought to the attention of those concerned to give them an opportunity to respond.

## III. Compliance with the Group's requests for information

9. During the course of its mandate, the Group addressed 137 official communications to Member States, international organizations and private entities. The Group believes it is important to differentiate the kinds of responses it received, which ranged from (a) satisfactory; to (b) incomplete; to (c) absence of response.

10. Parties that replied satisfactorily to the Group's communications responded to all of the Group's questions promptly and in such a way as to facilitate specific investigations. The Group received satisfactory responses from Belarus, Belgium, Benin, the Czech Republic, France, Ghana, Guinea, India, Israel, Lebanon, Liberia, Niger, Poland, Portugal, Switzerland, Turkey, Ukraine, Afren PLC, Armajaro Holdings Limited, Aviomar International B.V., A.D. Consultants Ltd., Cargill Incorporated, CFAO Motors, Demimpex, Dynamit Nobel, Edison S.p.A, Extractive Industries Transparency Initiative, Franconia GmbH, Holmarcom Group, International Cocoa Organization, International Nickel Study Group, International Tropical Timber Organization, Kimar, Lafon SA, Landen Capital Corp., LET Aircraft Industries, Noble Group Limited, Olam International, Prisma Aviation Services LLP, PRVI Partizan, Randgold Resources Limited, Ruag Ammotech GmbH, Sama Nickel Corporation, Société d'application des Procédés Lefebvre, Sellier and Bellot J.S.C., Soeximex S.A., TR&Z USA Trading, United Nations Forum on Forests Secretariat, World Federation of Diamond Bourses and Yugoimport SDPR.

11. Incomplete responses consist of cases where entities either did not provide all of the information requested by the Group, or informed the Group that they were preparing a reply which the Group had not received at the time of writing of the present report. To a greater or lesser extent, such incomplete responses hampered the Group's investigations. The Group received incomplete responses from Burkina Faso, China, Morocco, Togo, Autorité Nationale de l'Aviation Civile de Côte d'Ivoire, Canadian Natural Resources Ltd., Kimberley Process, Société nationale d'opérations pétrolières de la Côte d'Ivoire and Tullow Oil PLC.

12. In some cases, parties did not respond to the Group's requests for information (sometimes despite a number of requests and reminders). The Group did not receive responses from Angola, Chad, Côte d'Ivoire, Egypt, Ethiopia, the Libyan Arab Jamahiriya, Mali, Niger, Singapore, South Africa, the Sudan, the United Arab Emirates, Continaf (Far East) Pte Ltd, Établissements Fakih, Foxtrot International Ldc, Goldspan Resources Inc., Heckler & Koch USA, Helog AG, Isuzu Motors Ltd., Lihir Gold Limited, MLM International, Radio Télévision Ivoirienne and Taurian Manganese & Ferro Alloy CI SA.

## IV. Cooperation with stakeholders

13. This section presents issues related to the Group's cooperation with stakeholders in Côte d'Ivoire, including the Government of Côte d'Ivoire, the Forces nouvelles and the United Nations Operation in Côte d'Ivoire (UNOCI).

## A. Cooperation with Ivorian parties

### 1. Government of Côte d'Ivoire

14. The Group has experienced various degrees of cooperation from the Government of Côte d'Ivoire. While some ministries and departments have been cooperative, others have failed to respond to any of the Group's requests for information.

15. A number of the Group's letters to Government authorities in Côte d'Ivoire remain unanswered. This has limited access to information necessary for the Group's work and significantly constrained the scope of some of its investigations. In particular, the Group did not receive full cooperation from the cocoa and coffee management committee (Comité de gestion de la filière café-cacao (CGFCC)), the Ivorian national petroleum operations association (Société nationale d'opérations pétrolières de la Côte d'Ivoire (PETROCI)), the Prosecutor General and the Ministry of Mines and Energy.

16. The Group highlights the continued refusal by the Ivorian authorities to allow Republican Guard sites to be inspected (see paras. 45-51 below). It notes the stated opposition of the Permanent Representative of Côte d'Ivoire to the United Nations to demands made of Côte d'Ivoire in paragraph 5 of Security Council resolution 1893 (2009) with regard to inspections of Republican Guard sites and installations (see para. 46 below).

17. The Group also notes some hostility towards the Group on the part of the Ivorian defence and security forces (Forces de défense et de sécurité de Côte d'Ivoire (FDS-CI)), including on occasion when the Coordinator of the Group was expelled from the Abidjan Airbase during an inspection of the Mi-24 helicopter (see para. 339 of the Aviation section below).

### 2. Forces nouvelles

18. The Group held cordial meetings with a range of representatives of the Forces nouvelles, but rarely received specific answers to its questions.

19. The Group notes with concern that the level of cooperation enjoyed by the Group in the past appears to be declining rapidly in some of the Forces nouvelles zones of control, particularly from Forces nouvelles units based in the towns of Man, Korhogo and Séguéla. These units are under the command of zone commanders Losseni Fofana (known as Loss), Ouattara Issiaka (known as Wattao) and Martin Kouakou Fofié, respectively.

20. The Forces nouvelles treasury, La Centrale, has proved completely opaque, despite repeated requests for budgetary information. This has severely hampered the Group's investigations, because it has had to resort to assembling incomplete financial information from a range of disparate sources.

21. Forces nouvelles military units are usually cordial with the Group of Experts, but have increasingly denied it embargo inspections (see paras. 52-58 below). The Group has been unable to inspect a large number of weapons, including at sites known to contain weapons. The Group believes it is highly probable that those sites

contain weapons and ammunition that the Forces nouvelles have acquired in violation of the sanctions regime.

## B. Cooperation with the United Nations Operation in Côte d'Ivoire

22. The Group wishes to note the exceptional support provided to it by UNOCI during its operations in Côte d'Ivoire in 2010. The Mission continues to provide successive Groups of Experts with offices, transport and administrative support, which have significantly enhanced in-country investigations.

### 1. Cooperation with the Integrated Embargo Cell

23. Support provided by the UNOCI Integrated Embargo Cell has proven to be one of the most important assets for the Group in its investigations. The Embargo Cell provides logistical support to the Group and shares important information related to the embargo on a regular basis. The Group recognizes the substantial contributions to its investigations made by the Chief and staff of the Embargo Cell. The administrative support provided by the Embargo Cell has been consistently excellent.

### 2. Outstanding issues related to the United Nations Operation in Côte d'Ivoire

24. Since 2007, successive Groups of Experts have called for the Department of Peacekeeping Operations of the United Nations to allocate a greater number of personnel to the UNOCI Integrated Embargo Cell, including an arms expert and a number of customs experts. Those recommendations have not been addressed in full (see S/2008/598, para. 189; S/2009/188, para. 129; S/2009/521, paras. 23 and 517; and S/2010/179, paras. 22 and 156).

25. Despite the recommendations of successive Groups of Experts, the Embargo Cell remains without an arms expert and there is a clear need for additional, trained customs officers. The Group notes that developments in 2010 underline the need for continued, effective monitoring of the sanctions regime in Côte d'Ivoire and that UNOCI cannot carry out such monitoring unless it is allocated the appropriate staff.

# V. Embargo-related political developments in Côte d'Ivoire

26. The parties to the conflict have consistently used the provisions of the Ouagadougou Political Accord to sustain a myth of progress towards the reunification of Côte d'Ivoire.

27. The Government of Côte d'Ivoire, the Forces nouvelles and opposition parties remain uncommitted to reunification. The continued division of Côte d'Ivoire offers some parties too many benefits, and ranks so low in the priorities of others, for it to be a shared political objective today.

28. The Government and opposition parties focus their efforts on the electoral process, with each party seeking power in the south and with little regard for the north and its population. In the north, those among the Forces nouvelles for whom the objectives of the rebellion remain strong continue to press for identification, seeking national identity cards for the thousands of northerners without them. For

others among the Forces nouvelles, the elections remain almost irrelevant, while reunification presents a danger to their increasingly entrenched economic interests.

29. For those reasons, reunification has become a political tool, rather than a political objective. It is seen neither as a precondition for elections, nor as the expected peace dividend that might result from them, if they take place. In short, reunification has been decoupled from the issue of elections. Its role in Ivorian political rhetoric now is either to demonstrate that "some" progress is under way towards implementing the Ouagadougou Political Accord or else to delay elections by citing unmet preconditions.

30. The redeployment of civil administration, disarmament, cantonment, customs control and reunification itself, are processes that exist on paper and have been subject to numerous ceremonies, but they remain unimplemented. In this respect, the unclear sequencing in the Ouagadougou Political Accord[1] is a hindrance to progress rather than a road map to peace. Parties reshuffle priorities and preconditions for elections because they can. Delays are attributed to "technical problems" and the Ivorian public and international community are forced to admit that at least some progress has been made towards resolving the crisis.

31. The international community needs to focus on the reality beyond both parties' declarations of goodwill. Parties benefit from a stalled process, which allows each of them to follow its own interests: either ignoring the division of the country or working actively to prevent it.

32. What is clear is that reunification is, today, a paper concept. None of the parties to the election have pressed for reunification in any meaningful way and none appears likely to do so in the near future. The Forces nouvelles demands for identification appear to have been met and their control over the north seems a near certainty. No Ivorian parties need to favour reunification to win political support.

33. From the perspective of the arms embargo, this means strategic deadlock: the balance of forces remains uncertain, territory remains under the control of a multitude of often-competing parties and the demand for weapons and related materiel remains accordingly high.

## VI. Arms

34. This section documents seven breaches of the arms embargo and one major attempted violation, ranging from imports of arms and small-calibre ammunition to foreign technical assistance and military training.

35. The Group is concerned by the Ivorian parties' increasing lack of respect for the embargo and for the monitoring of the embargo. It urges the Security Council to take measures against Ivorian parties that breach the embargo or consistently refuse inspection of weapons and ammunition in accordance with the terms of paragraph 5 of resolution 1893 (2009).

[1] Article VIII of the Fourth Complementary Agreement of the Ouagadougou Political Accord (22 December 2008) provides sufficient basis for parties to assert that the lack of reunification could be a serious obstacle to the organization of fair, transparent and democratic elections.

## A. Cooperation of the Forces de défense et de sécurité de Côte d'Ivoire and the Forces nouvelles with embargo inspections

36. During 2010, neither the Government nor the Forces nouvelles cooperated fully with the Group of Experts. Despite improvements in some cases, both sides continue to deny the Group "unhindered access" to military sites and installations, "without notice" and "regardless of location", as demanded by the Security Council in paragraph 5 of resolution 1893 (2009).

### 1. Efforts by the Group to improve the efficacy of embargo inspections

37. In February 2010, the Group called on UNOCI to abandon its policy of notifying FDS-CI and Forces nouvelles units 48 hours before an inspection. It did this for two reasons. First, parties could conceivably move materiel if they were informed about an impeding inspection. Second, Groups of Experts' mandates to conduct inspections "without notice" sit uncomfortably with announced inspections by UNOCI.

38. On 9 February 2010, in a letter addressed to the Special Representative of the Secretary-General for Côte d'Ivoire, the Group noted that the provision by UNOCI of 48 hours' notice before inspections undermined the Group's ability to conduct the investigations mandated by the Security Council in resolution 1893 (2009). In the letter, the Group pointed out that units of FDS-CI and the Forces de défense et sécurité des Forces nouvelles (FDS-FN) units did not distinguish between the Group of Experts and UNOCI and, as a result, claimed that the Group was not permitted to inspect arms and related materiel without UNOCI having first provided 48 hours' notice.

39. The Group and the Special Representative of the Secretary-General held discussions on 10 February 2010, in which the Group reiterated its call for a halt to announced inspections. The Group also repeated that request in its midterm report (see S/2010/179, para. 142).

40. On 17 June 2010, UNOCI adopted a compromise between its existing inspection practice and the Group's demands. While it did not end scheduled (announced) inspections, it began, in parallel, to conduct a limited number of unscheduled (unannounced) inspections. The effect of this move has been expectedly mixed, but it has arguably had a positive impact on monitoring the embargo because the Group has been able to negotiate more rapid access than before to some, although certainly not all, military sites and installations (see para. 43-44 below).

### 2. Cooperation by the Forces de défense et sécurité des Forces nouvelles

41. In March and April 2010, the Group increased the frequency of its unannounced inspections of FDS-CI military sites and installations. FDS-CI refused the Group access in virtually all cases and frequently misinformed it regarding the whereabouts of a senior officer who could have authorized the inspection.

42. FDS-CI also refused the Group access to a cache of weapons that the Gendarmerie reported it had discovered and seized near Abidjan in early May 2010. Despite several attempts by the Group to view the weapons, both the Gendarmerie and the Government Commissioner responsible for the case, Col. Ange Bernard Kessi Kouamé, refused to grant the Group entry to the Gendarmerie facility housing the seized weapons.

43. Problems such as those prompted the Group, on 10 May 2010, to contact the FDS-CI Chief of Staff, General Philippe Mangou, to protest repeated denials of entry to military, including Gendarmerie, sites and installations.

44. In response to the Group's concerns, on 20 May 2010, the Chief of Staff convened a meeting between the Group of Experts and all major FDS-CI military commands.[2] At that meeting, FDS-CI agreed to provide the Group with the telephone numbers of commanding generals to call immediately before an inspection, in order to guarantee access. Despite a few communication problems, this informal mechanism has worked relatively well.

45. Nonetheless, FDS-CI still refuses to allow any inspection of Republican Guard sites, claiming that they are within presidential perimeters. For example, in a letter dated 10 June 2010, the FDS-CI Chief of Staff informed the Group that "the Army Chief of Staff is favourable to the embargo's implementation in all military installations in Abidjan and in the interior of the country, except within presidential perimeters".

46. The Group also recalls, in this respect, public comments made by the Permanent Representative of Côte d'Ivoire to the United Nations on 29 October 2009, in which he stated "It has to be made clear that the Group of Experts is not entitled to enter presidential sites" (see S/2010/179, paras. 25-26).

Table 1
**Republican Guard sites in Côte d'Ivoire, 2010**

| *Republican Guard sites* | *Within presidential sites* | *Purely military installations* |
|---|---|---|
| 1. Abidjan, Treichville | | Republican Guard Headquarters: central military facilities |
| 2. Abidjan, Plateau | Presidential palace: detachment of Republican Guard inside palace perimeters | |
| 3. Abidjan, Cocody | President's residence: detachment of Republican Guard inside residence perimeters | |
| 4. Yamoussoukro | Presidential palace: detachment of Republican Guard inside palace perimeters | |
| 5. Yamoussoukro | | One detachment of Republican Guard in barracks |

[2] The FDS-CI personnel present at the meeting included: the commanders of: the Gendarmerie, General Tiapé Kassaraté; the Ground Forces, Brigadier-General Detoh Letoh; the Air Force, Brigadier-General Aka Kadjo Marc; the Navy, Admiral Vagba Faussignaux; and the Security Operations Command Centre, General Guiai Bi Poin.

| *Republican Guard sites* | *Within presidential sites* | *Purely military installations* |
|---|---|---|
| 6. Gagnoa | | One detachment of Republican Guard in barracks |
| 7. Mama, near Gagnoa | President's residence: detachment of Republican Guard inside residence perimeters | |

*Source*: Group of Experts on Côte d'Ivoire.

47. As indicated in table 1, of seven known Republican Guard sites, three are clearly situated outside presidential offices or presidential residences, including the Republican Guard Headquarters in Abidjan. The Group neither accepts "presidential" perimeters as a reason for refusing inspections, nor does it agree that all Republican Guard sites fall within the perimeters of presidential offices or residences.[3]

48. In this regard, the Group recalls paragraph 5 of resolution 1893 (2009) which the Security Council demanded that Ivorian parties "provide unhindered access particularly to the Group of Experts … to equipment, sites and installations … and to all weapons, ammunition and related materiel, regardless of location, when appropriate without notice and *including those under the control of Republican Guard units*" (emphasis added).

49. The Republican Guard is certainly the best equipped military force in the country. Its weapons, ammunition and related materiel must be inspected if the monitoring of its embargo by the Group of Experts and UNOCI is to be considered complete and effective.

50. For six years, the Government of Côte d'Ivoire has refused to allow inspections of Republican Guard units. This is a consistent breach of successive Security Council resolutions. The Group does not foresee any change in this situation and calls on the Security Council to consider imposing stronger measures against the Government of Côte d'Ivoire.

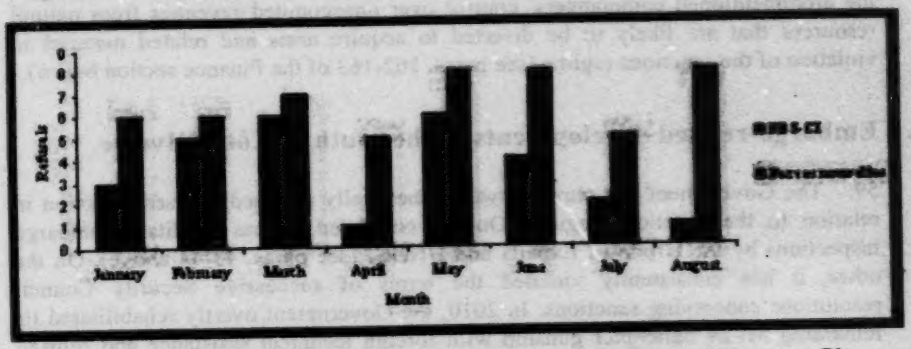
51. The Security Council decided, in paragraph 11 of resolution 1893 (2009), that the Group's report may include, as appropriate, any information and recommendations relevant to the Committee's possible additional designation of the individuals and entities described in paragraphs 9 and 11 of resolution 1572 (2004). Pursuant to this, the Group recommends that the Sanctions Committee consider imposing targeted sanctions against the Minister of Defence of Côte d'Ivoire, Michel Amani N'Guessan, and his possible successors, if the Group of Experts and UNOCI continue to be denied unhindered access to all military sites and installations, including those of the Republican Guard, as demanded by the Security Council in paragraph 5 of resolution 1893 (2009).

[3] The Group understands that the list contained in table 1 above was officially conveyed in August 2010 by the Chair of the Sanctions Committee to the Permanent Representative of Côte d'Ivoire to the United Nations.

### 3. Cooperation from the Forces nouvelles

52. The statistics presented in figure I clearly illustrate the lack of compliance by the Forces nouvelles with requests for embargo inspections. Between the beginning of January and the end of August 2010, the Forces nouvelles consistently refused more inspections than FDS-CI, and the disparity has been growing significantly since May 2010.

Figure I
**Inspection refusals by Forces nouvelles and FDS-CI (2010)**




*Source*: Data from UNOCI Integrated Embargo Cell; analysis by the Group of Experts on Côte d'Ivoire.

53. One of the most significant indications of a lack of cooperation is that a number of Forces nouvelles zone commanders have refused the Group of Experts and UNOCI access to their "residential" compounds. The Group strongly contests the notion that those compounds can justifiably be designated as purely residential.

54. For example, the compound in Séguéla, which belongs to the commander of Zone 5, Ouattara Issiaka, known as Wattao, resembles a military encampment. It is an estimated 8 to 10 hectares in size and contains numerous buildings and outbuildings. The compound is protected by concrete anti-vehicle obstacles and sandbagged machine gun nests manned by well-equipped Forces nouvelles troops.

55. The Group has observed various vehicles parked within the compound, including pick-up trucks mounted with heavy machine guns. The mounted weapons include NSV and DShK machine guns, which are chambered to fire the 12.7 x 108 mm cartridge. Armour-piercing cartridges of this type are in service with the Forces nouvelles and can pierce armoured vehicles, including those deployed by UNOCI. These weapons have never been presented for inspection.

56. The same is true in the town of Man, which is controlled by the commander of Zone 6, Losseni Fofana, known as Loss. The zone commander's "Cobra" unit continuously prevents inspections by UNOCI and the Group of Experts. This unit is situated in a heavily fortified compound, which has anti-vehicle chicanes, barriers and sandbagged gun emplacements. Trucks mounted with a variety of heavy machine guns are parked within the compound. These mounted heavy weapons have never been subject to inspection.

57. Having never been allowed access to zone commanders' "residential" sites, neither the Group of Experts nor UNOCI can confirm the volume of weapons and

related materiel that are stored within them. It is very likely that some of these weapons have been imported post-embargo. They remain a dangerous and unmonitored threat to peace and security.

58. The Group recommends that the Sanctions Committee consider imposing targeted sanctions against Forces nouvelles zone commanders, Ouattara Issiaka and Losseni Fofana, if they continue to refuse to provide the Group and UNOCI "unhindered access" to military sites and installations, "without notice" and "regardless of location", as demanded by the Security Council in paragraph 5 of resolution 1893 (2009). The Group also notes, as further grounds for such measures, the aforementioned commanders' control over unaccounted revenues from natural resources that are likely to be diverted to acquire arms and related materiel in violation of the sanctions regime (see paras. 162-163 of the Finance section below).

## B. Embargo-related developments in the south of Côte d'Ivoire

59. The Government has pursued two diametrically opposed courses of action in relation to the sanctions regime. On the one hand, it has facilitated embargo inspections by the Group of Experts and UNOCI (see paras. 43-44 above). On the other, it has consistently violated the terms of successive Security Council resolutions concerning sanctions. In 2010, the Government overtly rehabilitated its remaining Mi-24 helicopter gunship with foreign technical assistance and refused categorically to allow inspections of the Republican Guard.

### 1. Foreign assistance in the rehabilitation of military assets

60. Since late March 2010, FDS-CI has been repairing its one Mi-24 helicopter gunship, which is parked at Abidjan Airbase. As noted in the Aviation section of the present report (see paras. 336-357 below), the rehabilitation of this aircraft has necessitated foreign technical assistance, which is a violation of the embargo. Following repair, the helicopter is now capable of flight.

61. The Group wishes to draw attention to the potential danger this aircraft poses to peace and security in Côte d'Ivoire. The hangar in which the aircraft is parked houses a store of functioning UB-32 rocket launchers, S-5 55 mm rockets, cannons and cannon ammunition. The helicopter could be armed and made combat-ready in a matter of hours.

62. Reactions by the Forces nouvelles to the rehabilitation of the aircraft[4] suggest that there are growing fears the aircraft could again be used against military and civilian targets in the north of Côte d'Ivoire, echoing events on the ground in 2004. The rehabilitation of the Mi-24 must be viewed, therefore, as a significant threat to relations between the Government and the Forces nouvelles and, hence, as an impediment to a peaceful resolution of the crisis.

63. The Group recommends that the Security Council demand the cessation of any further flights of the Mi-24 helicopter, including test flights. Otherwise, the Group notes, the Government of Côte d'Ivoire will be left in the position of having

[4] For example, on 15 April 2010, the Forces nouvelles Chief of Staff sent a letter to UNOCI (0532-10/FAFN/EM) entitled "Protest against the repairs and test flights made to FANCI [Forces armées nationales de Côte d'Ivoire] Mi-24 combat helicopter".

benefited significantly from an overt breach of the embargo and may feel encouraged to do so again.

### 2. Foreign training of Ivorian military personnel

64. The Government of Morocco continues to violate the arms embargo by providing a range of military training to Ivorian personnel. Despite the findings of the previous Group of Experts (see S/2009/521, paras. 82-85), and a face-to-face meeting between the previous Group and the Permanent Mission of Morocco to the United Nations in October 2009, the Government of Morocco has made no attempt to halt this training.

65. On 29 March 2010, the Group wrote to the Permanent Mission of Morocco reiterating that the training of Ivorian military personnel violated the embargo and requesting further information on the specific types of training provided in 2010. The Government of Morocco replied, on 21 July 2010, that it continued to provide "classical military training" and would do so beyond 2010.

66. The Group concludes that the Government of Morocco knowingly violates the arms embargo and calls on it to discontinue, immediately, all military training of Ivorian personnel.

### 3. Imports of trucks for the Ivorian security forces

67. The Group has identified the acquisition by the Ivorian defence and security forces of 184 trucks since 2004. Of these vehicles, around 80 per cent (143) have been imported since the beginning of 2009 (see paras. 417-424 of the Customs section below).

68. Although these trucks are of common civilian types, they are easily adaptable to military use. In fact, the majority of light vehicles used by both FDS-CI and the Forces nouvelles are civilian models. Many of them carry mounted heavy machine guns (see image below).

**New FDS-CI "civilian" truck with mounted machine gun in Abidjan, 23 June 2010**

*Source*: Group of Experts on Côte d'Ivoire.
*Note*: The truck is a civilian model Mazda BT-50. The weapon is a 12.7 x 108 mm heavy machine gun.

69. The vehicles (102 medium trucks and 81 pick-ups/4x4s) could provide mobility for more than 2,500 armed personnel and tens of heavy weapons. Given that troop mobility was a serious factor affecting the military capacity of the Government of Côte d'Ivoire during the 2002-2004 hostilities, the acquisition of trucks for FDS-CI represents a significant force multiplier in the event of a resumption of violent conflict (see S/2009/521, para. 72).

70. The Group considers the import of vehicles for military uses to be a breach of the embargo, for the reasons set out in paragraph 62 of the final report of the previous Group of Experts (S/2009/521). It calls on all foreign suppliers to cease direct or indirect sales of vehicles to Ivorian defence and security forces that have not been made the subject of exemption from the embargo by the Sanctions Committee.

### 4. Crowd control, law and order and embargo exemption requests

71. Ivorian defence and security forces believe they need to import non-lethal, riot control equipment. They are fully aware that these imports require an embargo exemption from the Sanctions Committee. They are also fully aware that the exporting State, not Côte d'Ivoire, must make the request.[5]

72. Over the past few years, Groups of Experts have painstakingly explained the Sanctions Committee's exemption request procedures on numerous occasions. The procedures are annexed to the present report for clarity (annex IX) and are listed in the publicly available Guidelines of the Sanctions Committee.

73. Successive Groups of Experts have briefed unit-level commanders, the Chiefs of the Police and Gendarmerie, the Army Chief of Staff, and the Ministers of Defence and the Interior. The Committee, echoed by the Secretariat, has also conveyed the procedures on a number of occasions to the Permanent Representative of Côte d'Ivoire to the United Nations.

74. Despite the embargo having been in effect for nearly six years, however, the Ivorian authorities have failed to follow those procedures and have not made arrangements for the purchase of the required equipment. At the same time, they increasingly, albeit wrongly, blame the embargo for this.

75. The Group remains concerned that the Government of Côte d'Ivoire could publicly hold the embargo responsible if the security forces use live ammunition in situations of civil unrest. It encourages United Nations officials and other international commentators not to make statements that might support such a position.

76. For example, paragraph 94 of the Secretary General's report of 20 May 2010 on Côte d'Ivoire (S/2010/245) notes: "the Security Council Committee established

[5] Paragraph 21 of the Guidelines of the Security Council Committee established pursuant to resolution 1572 (2004) concerning Côte d'Ivoire for the conduct of its work reads "Requests for advance approval by the Committee, and notifications to the Committee, shall be submitted in writing to the Chairman by the Permanent or Observer Mission of the State or the international organization or agency supplying the equipment." (www.un.org/sc/committees/1572/pdf/guidelines_ci_eng.pdf).

pursuant to resolution 1572 (2004) may wish to consider an exemption to the arms embargo allowing the Government to import riot control gear for relevant law enforcement institutions to avoid the use of long weapons and live ammunition in situations of civil unrest".

77. This statement appears to overlook the fact that the Ivorian parties could have arranged for the purchase of the desired materiel, and made the relevant exemption request, at any time in the past six years. In this sense, it implies (a) that the embargo is responsible for the continued use of "long weapons and live ammunition in situations of unrest" and (b) that the Sanctions Committee should, itself, instigate an exemption to the embargo.

78. The Group believes it is important to note that the Sanctions Committee cannot consider an exemption unless a supplying State submits an exemption request. Likewise, a supplying State cannot make a request unless the Ivorian parties formally request a sale or transfer. Neither of these has happened and responsibility for a lack of appropriate riot control equipment and any "resulting" disproportionate use of force rests solely with the Ivorian authorities.

## 5. Imports of lachrymatory (tear gas) grenades by Ivorian security forces

79. On 3 June 2010, UNOCI military observers in Gagnoa, southern Côte d'Ivoire, photographed a box of lachrymatory (tear gas) grenades, stored in the town Gendarmerie headquarters. Imports of this materiel require an embargo exemption from the Sanctions Committee (see annex IX).

80. The town of Gagnoa is significant in this context because it was the site of indiscriminate and lethal use of force by security forces against civilians in February 2010. The excuse provided by the security forces was a lack of appropriate riot-control equipment, including lachrymatory materiel.

81. As the image below indicates, the grenades are newly boxed and efforts have been made to remove the labels from boxes (possibly to conceal the origin of the materiel). Nonetheless, the labels provided sufficient information (see image below) to identify the address of the Senegalese producer/distributor, *Établissements Fakih* of rue Joseph Gomis, Dakar.

**Label on box of lachrymatory grenades in Gagnoa, 3 June 2010**

*Source*: UNOCI Military Observer Team, Gagnoa.

82. On 4 June 2010, the Group wrote to *Établissements Fakih*, with a copy to the Permanent Mission of Senegal to the United Nations, and requested a list of all materiel sent to Côte d'Ivoire since November 2004.

83. Neither *Etablissements Fakih* nor the Senegalese authorities responded to the Group's letter. The Group considers that the presence of boxes containing tear gas grenades is likely to be a breach of the embargo and encourages the Government of Senegal to ensure a full response to its requests for information.

### 6. Attempted exports of materiel from the United States of America to Côte d'Ivoire

84. The previous Group of Experts noted in its final report (see S/2009/521, paras. 90-91) that, on 10 September 2009, the Ivorian Minister of Defence informed it that the Government of Côte d'Ivoire had ordered 4,000 9 x 19 mm pistols, 200,000 9 mm pistol-calibre cartridges and 50,000 lachrymatory (tear gas) grenades for the sum of US$ 1.7 million. If this order had been shipped to Côte d'Ivoire without an embargo exemption from the Sanctions Committee, it would have constituted a violation of the embargo.

85. Although ongoing investigations at that time prevented the Group from reporting its findings in detail, it had become aware that a United States citizen, Michael Shor, was involved in the attempted sale. In mid-October 2009, the Group met representatives of the Permanent Mission of the United States to the United Nations in New York and requested that the United States authorities investigate Mr. Shor's role in the reported deal.

86. Although the United States authorities were apparently not in a position to inform the Group whether Michael Shor was under investigation, on 9 September 2010, United States federal officials charged an Ivorian national, Nguessan Yao,[6] with attempting to export 4,000 Glock handguns, 200,000 rounds of 9 mm ammunition and 50,000 lachrymatory (tear gas) grenades to Côte d'Ivoire.[7] These are precisely the same numbers of weapons provided by the Minister of Defence in September 2009. Michael Shor, a resident of Virginia, was also reportedly charged in connection with the case and had attempted to purchase handguns for export to Côte d'Ivoire in 2009.[8]

87. The Group notes that these events suggest the important role that Groups/Panels of Experts can play in detecting violations of the embargo prior to their occurrence. It notes with concern, however, that it has seen new-looking 9 mm Glock pistols in the hands of FDS-CI personnel throughout its 2010 mandate. Although it has not been able to handle the weapons and record serial numbers, it fears that the parties recently apprehended in the United States may have made successful earlier attempts to export arms and related materiel to Côte d'Ivoire in violation of the embargo.

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[6] Sources interviewed by the Group suggest that Mr. Yao is a serving Ivorian military officer.

[7] "Ivory Coast citizen arrested in plot to illegally export weapons from the U.S.", News Releases of U.S. Immigration and Customs Enforcement, 10 September 2010. Available from www.ice.gov/pi/nr/1009/100910sanfrancisco.htm.

[8] "Ivorian arrested in plot to ship arms: African nation on embargo list", *The Washington Times*, Monday, 13 September.

### 7. Republican Guard BTR-80 armoured personnel carriers

88. On several occasions in August 2010, the Group sighted at least two BTR-80 armoured personnel carriers accompanying units of the Republican Guard, in addition to UAZ-469 4x4 vehicles. Neither the Group of Experts nor UNOCI have observed these vehicles in the past. Force Licorne reports no record of them. As the image below indicates, the vehicles are freshly painted and are visibly in very good condition.

**Republican Guard BTR-80s in Abidjan, 10 and 30 August 2010**

*Source*: Group of Experts on Côte d'Ivoire.

89. Belarus reportedly exported six such vehicles to Côte d'Ivoire before the embargo, in 2003,[9] of which the Group has accounted for four. However, having been denied access to Republican Guard sites, the Group has not been able to ascertain the country of origin of the recently sighted vehicles. The Group concludes that this case strongly reinforces the urgent need to inspect Republican Guard sites and materiel (see paras. 45-51 above).

## C. Arms and ammunition transfers to the Forces nouvelles

90. Certain Forces nouvelles zone commanders are making substantial efforts to re-equip their forces. In addition, the Group of Experts and UNOCI continue to sight numbers of heavy weapons deployed by Forces nouvelles units that have not been presented for inspection. The origin of these weapons remains unclear.

91. This section documents transfers of arms and ammunition to the Forces nouvelles-controlled north of Côte d'Ivoire. A number of these cases remain

[9] See Stockholm International Peace Research Institute arms transfer database (deliveries to Côte d'Ivoire for 2003).

ongoing because the Group awaits complete replies to its requests for information from Member States and private companies.

### 1. Recapitulation of ongoing investigations

92. The previous Group of Experts found many assault rifles in the hands of the Forces nouvelles from which the serial numbers had been removed, in identical ways, by grinding. The Group concluded (see S/2009/521, paras. 127-134) that the serial numbers had been removed to conceal the origin of the weapon (i.e. the party that had provided the weapons to the Forces nouvelles). It also noted accurate reports of Forces nouvelles weapons without serial numbers entering from the territory of Burkina Faso (see S/2009/521, paras. 149-150 and 163).

93. Given that weapon serial numbers had been removed so systematically, the Group surmised that the probable source of the arms was the arsenal of a Member State. By contrast, if these weapons had been acquired piecemeal from different sources on the illicit market, it poses the question as to why should the serial numbers have been removed by identical forms of grinding.

94. The Group's 2010 investigations on arms focused, in particular, on identifying the State(s) responsible for the transfers.

### 2. Assault rifles in service with the Forces nouvelles

95. During 2010, the Group focused its attention on large numbers of Chinese-manufactured Type 56 assault rifles, of various ages and varieties, and small, albeit significant, numbers of Polish AKMS-pattern assault rifles. These are the most common of the suspect weapons (with effaced serial numbers) in the hands of the Forces nouvelles.

96. The Group conveyed letters to the Permanent Missions of the People's Republic of China (5 March 2010) and Poland (29 March 2010) to request sales information and asked, specifically, to which entities they had sold or transferred weapons of those types. In its letters, the Group included close-up photographs of the weapons concerned, among them eight Type 56 assault rifles whose serial numbers remained either completely or partially intact.

#### (a) Chinese-manufactured Type 56 assault rifles

97. In its response to the Group, on 7 July 2010, the Government of China replied: "Among the eight pictured weapons in the above-mentioned letter, two of them bear incomplete markings, thus impossible for identification. As for the other six weapons, China sold them to a third country in 1990s through normal military trading channels. Since they were sold a long time ago, further investigation is extremely difficult. Until now there is no more information to provide."

**Chinese Type 56 assault rifles, northern Côte d'Ivoire, 2010**

**Type 56, serial number 3754393, Bouna, April 2010**

*Source*: Group of Experts on Côte d'Ivoire

**Type 56, serial number 3763162, Séguéla, May 2010**

*Source*: Group of Experts on Côte d'Ivoire

98. On 23 August 2010, the Group replied to the Permanent Mission of China to the United Nations, stating that it required the name of the "third country" to pursue investigations into the origin of the weapons concerned. The Permanent Mission of China replied on 14 September 2010 that it had provided all available information to the Group in its response of 7 July 2010 and that no further information could be provided.

### (b) Polish-manufactured AKMS-pattern assault rifles

99. The Group's request to the Permanent Mission of Poland, in March 2010, was of a more general nature. The Group was not in the position to establish the origins of a specific weapon because it had, in this case, found no intact serial numbers (see image below). It sought, rather, to identify sources of AKMS-pattern weapons near to the Forces nouvelles-controlled north of Côte d'Ivoire. For these reasons, the

Group simply enquired whether Poland had sold or transferred weapons to any "neighbouring country or nearby State".

**Polish AKMS-pattern assault rifles, northern Côte d'Ivoire, 2010**

**AKMS, serial number erased — Location: Séguéla, May 2010**

*Source*: Group of Experts on Côte d'Ivoire

100. In June 2010, the Government of Poland replied that it had supplied such weapons to one country in the region: a single consignment of AKMS assault rifles to Burkina Faso in 1996. Poland was unable to provide any further information owing to incomplete records.

### 3. Ammunition originating from the security forces of Burkina Faso

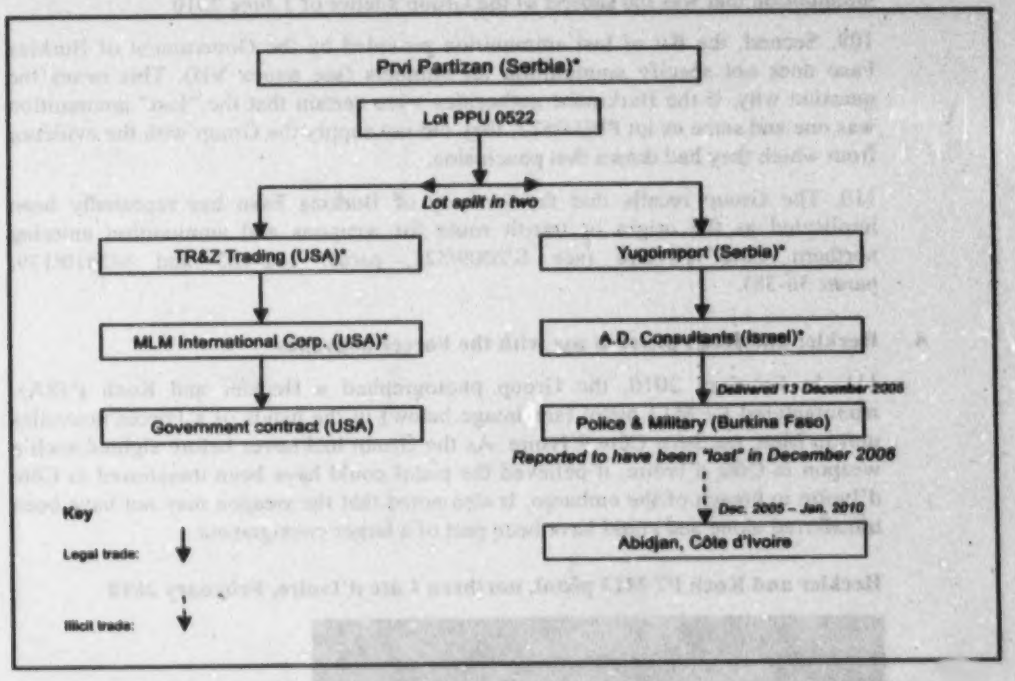
101. In January 2010, the Group discovered several thousand 9 x 19 mm (Parabellum) cartridges, manufactured by Prvi Partizan of Serbia, in use by civilians in Abidjan. As the following sections detail, this ammunition entered Côte d'Ivoire from the territory of Burkina Faso.

102. On 25 January, the Group requested Prvi Partizan to provide information on the party to which it had sold the ammunition. The Group included in its request the lot numbers of the ammunition, which manufacturers use to identify particular production runs ("lots") of cartridges and their components.

103. Prvi Partizan replied, on 10 February 2010, that the lot in question had been manufactured in November 2005, indicating that the ammunition had been manufactured, and therefore transferred to Côte d'Ivoire, after the arms embargo was imposed by the Security Council in resolution 1572 on 15 November 2004.

104. Prvi Partizan informed the Group that it had legally transferred the lot (number PPU 0522) to two different parties: Yugoimport (Serbia) and TR&Z USA Trading, in 2005 and 2006 respectively, hence splitting the lot (see fig. II). After having contacted all companies listed in figure II, the Group of Experts learned that A.D. Consultants (Israel) had legally transferred Yugoimport's part of the lot, totalling 350,000 cartridges, to Burkina Faso on 13 December 2005.

Figure II
**Transfer history of 9 x 19 mm ammunition lot found in Côte d'Ivoire**




*Source*: Group of Experts on Côte d'Ivoire.

* The Group acknowledges the accurate record keeping of these companies and notes the positive impact that their prompt responses had on its enquiries.

105. On 1 June 2010, the Group wrote to the authorities of Burkina Faso, informing it that it had discovered ammunition in Côte d'Ivoire used by the Burkinabé police and military and providing details of the consignments' end user certificate numbers (see annexes II-V).

106. The Government of Burkina Faso replied, on 16 June 2010, that "some" 9 x 19 mm ammunition had been lost during infighting among the military and police, and in military mutinies during December 2006. It also provided a list of weapons and ammunition reported lost in those disturbances (see annexes VI and VII). Ending its reply to the Group, the Government of Burkina Faso concluded that the porosity of the borders, coupled with the increasing phenomenon of banditry, might have allowed the circulation of such material outside the national territory.

107. The Group maintains that the ammunition entered northern Côte d'Ivoire from the territory of Burkina Faso and was then transferred to a civilian party in the south of the country. It is unclear how the ammunition left Burkina Faso and the Group had hoped that the Burkinabé authorities might have been able to clarify this. Following careful analysis of the letter from the Government of Burkina Faso of 16 June 2010, however, the Group needs further explanation of the transfers.

108. First, in its letter, the Government of Burkina Faso referred to some ammunition having been lost, but, in that context, did not refer explicitly to the ammunition that was the subject of the Group's letter of 1 June 2010.

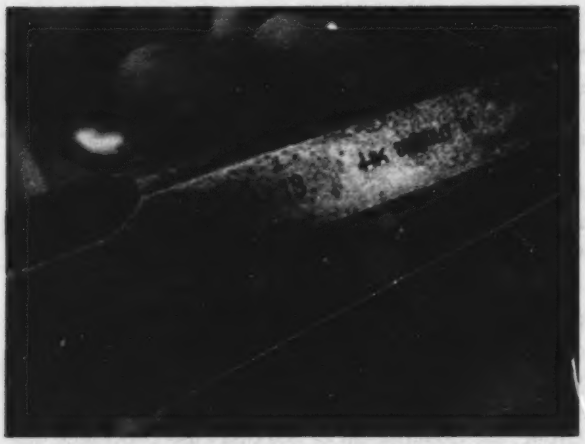
109. Second, the list of lost ammunition provided by the Government of Burkina Faso does not specify ammunition lot numbers (see annex VII). This raises the question why, if the Burkinabé authorities were certain that the "lost" ammunition was one and same as lot PPU 0522, they did not supply the Group with the evidence from which they had drawn that conclusion.

110. The Group recalls that the territory of Burkina Faso has repeatedly been implicated as the origin or transit route for weapons and ammunition entering northern Côte d'Ivoire (see S/2009/521, paras. 162-165 and S/2010/179, paras. 36-38).

### 4. Heckler and Koch pistol in use with the Forces nouvelles

111. In February 2010, the Group photographed a Heckler and Koch (USA)-manufactured P7 M13 pistol (see image below) in the hands of a Forces nouvelles unit in Man, northern Côte d'Ivoire. As the Group had never before sighted such a weapon in Côte d'Ivoire, it believed the pistol could have been transferred to Côte d'Ivoire in breach of the embargo. It also noted that the weapon may not have been transferred alone and could have been part of a larger consignment.

**Heckler and Koch P7 M13 pistol, northern Côte d'Ivoire, February 2010**



*Source*: Group of Experts on Côte d'Ivoire.

112. On 5 March 2010, the Group wrote to Heckler and Koch (USA), copying the United States Mission to the United Nations, requesting the name and address of the entity to which Heckler and Koch, or an agency acting on behalf of the company, sold the weapon. Neither Heckler and Koch, nor the United States Mission, replied to the Group's letter. The Group continues to await the requested information from Heckler and Koch (USA) in order to pursue its mandated investigations.

113. In the meantime, the Group contacted the International Criminal Police Organization (INTERPOL) (20 May 2010) to request an international trace of the

weapon. Initial reports (23 August 2010) by INTERPOL suggest the weapon was initially sold to a United States civilian. The Group does not, as yet, have further details to report.

## D. Forces nouvelles zone commanders currently re-equipping

114. Since 2009, a number of Forces nouvelles units based in Korhogo, Man and Séguéla have visibly re-equipped with new uniforms and military equipment. Some forces even appear better clothed and equipped than the regular forces of Côte d'Ivoire. The Group also noted the recent acquisition and refurbishment of military vehicles. Table 2 lists these improvements in the three zones concerned.

Table 2
**Acquisitions by Forces nouvelles commanders (by zone of control)**

| *Zone of control:* | Zone 5 | Zone 6 | Zone 10 |
|---|---|---|---|
| *Zone commander:* | Ouattara Issiaka (Wattao) | Losseni Fofana (Loss) | Martin Kouakou Fofié (Fofié) |
| *Location:* | Séguéla | Man | Korhogo |
| Uniforms | • | • | • |
| Headwear | • | • | • |
| Footwear | • | • | • |
| Chest rigs and pouches | • | • | — |
| Rank badges | • | • | — |
| Unit badges | • | • | • |
| Radios | — | — | • |
| Newly painted vehicles | • | — | — |
| Newly acquired vehicles | • | • | • |

*Note*: The Group viewed evidence of these acquisitions on the streets. It was unable to thoroughly inventory any Forces nouvelles unit and, as a result, the above list is certainly not exhaustive.

115. The acquisitions listed in table 2 are significant additions. They suggest that, contrary to their stated intentions to reintegrate their forces and to engage in the disarmament, demobilization and reintegration process, the respective Forces nouvelles zone commanders may not envisage conforming to the Ouagadougou Political Accord, but intend to reinforce their control over parts of the north.

116. In this respect, the Group believes it is worth noting that the acquisitions listed in table 2 have occurred in Forces nouvelles zones where:

(a) Commanders have the greatest access to revenues from the taxation of natural resource extraction and the control of road commerce (see paras. 157-165 of the Finance section and tables 12 and 13 of the Customs section);

(b) There have been violent inter- and intra-zone hostilities related to the control of territory and access to resource and commerce revenues (see S/2009/521, paras. 38-41);

(c) The reunification of the country, or political restructuring in the north, is likely to prove the most contentious owing to zone commanders losing access to lucrative sources of revenue.

117. From the perspective of the arms embargo, these are also the three zones where Forces nouvelles units have been most prone to withholding weapons from inspection by the Group of Experts and UNOCI. The Group is unable to verify whether these weapons have been imported in breach of the embargo.

# VII. Finance

118. The exploitation of the rich, and, in some cases, increasingly lucrative natural resources of Côte d'Ivoire strengthens those parties who wish to protract the division of the country. This section presents evidence that parties on both sides of the north-south divide continue to consolidate control over sources of revenue, a process that has been accelerated by favourable prices for certain natural resources on world markets.[10]

119. The Group has a mandate, in accordance with paragraph 7 (b) of Security Council resolution 1727 (2006), to conduct investigations into "the sources of financing, including from the *exploitation of natural resources* in Côte d'Ivoire, for purchases of arms and related materiel and activities" (emphasis added).

120. During the current mandate period, the Group of Experts has devoted considerable energy to investigating natural resource sectors of the economy of Côte d'Ivoire. Continued and uncontrolled exploitation of natural resources plays a critical role in sustaining the country's division and provides revenues that some parties are likely to have used to acquire arms and related materiel in violation of the sanctions regime (see paras. 114-117 of the Arms section above).

121. Large revenues, generated in the north and south of Côte d'Ivoire, remain completely unaccounted for. Member States trading with Côte d'Ivoire, the international community and multinational companies operating in the country must exert more efforts to monitor its trade in natural resources and to increase trade transparency, if this situation is to be addressed.

## A. Revenues from the exploitation of natural resources

122. The economy of the Government-controlled south of Côte d'Ivoire has benefited considerably from favourable markets for cocoa and oil. Analysis by the International Monetary Fund (IMF) concludes that a rise in international prices for cocoa and oil has significantly boosted the country's external current account surplus from 1.9 to 7.2 per cent of gross domestic product (GDP) in 2009-early 2010.[11] Exports of the two commodities are expected to increase from 25 per cent of GDP in 2007 to an estimated 33 per cent of GDP in 2010 (see table 3 below). As the

[10] The Group includes agricultural production within its discussion of natural resources. While agricultural products, such as cocoa or cotton, do not occur in a strictly "natural" state (i.e. they have been farmed and their varieties and planting encouraged by humans), they nevertheless form a readily exploitable resource — one that, in a conflict situation, requires little-to-no additional investment to utilize.

[11] International Monetary Fund, *Country Report No. 10/228* (Washington, D.C., 2010), p. 6.

following sections note, however, Government agencies continue to suffer from a critical lack of transparency, which has also been voiced by international financial organizations (notably IMF, the World Bank and the African Development Bank) during meetings with the Group.

Table 3
**Cocoa and oil exports, 2007-2010**
(Billions of United States dollars)

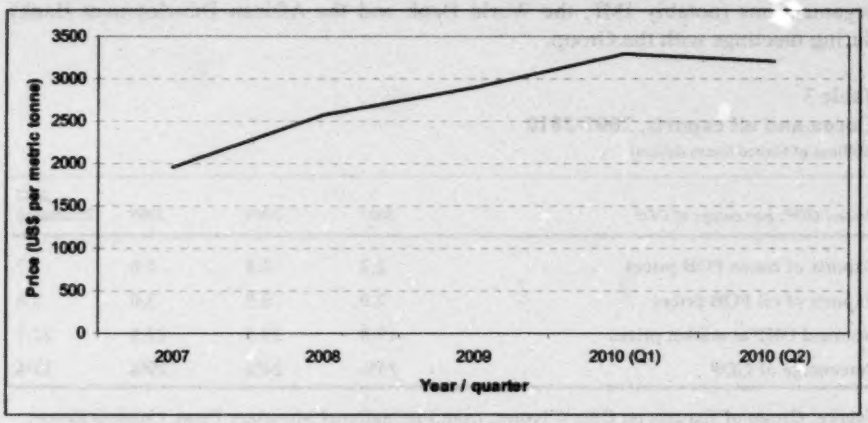
| *Prices; GDP; percentage of GDP* | *2007* | *2008* | *2009* | *2010 (Estimated)* |
|---|---|---|---|---|
| Exports of cocoa FOB prices | 2.2 | 2.8 | 3.6 | 3.7 |
| Exports of oil FOB prices | 2.9 | 2.9 | 3.0 | 3.8 |
| Nominal GDP at market prices | 19.8 | 23.5 | 22.5 | 22.7 |
| Percentage of GDP | 25% | 24% | 29% | 33% |

*Source*: Group of Experts on Côte d'Ivoire, from International Monetary Fund, *Country Report No. 09/326* (Washington, D.C., 2009), pp. 27-31 and International Monetary Fund, *Country Report No. 10/228* (Washington, D.C., 2010), pp. 17-19.

123. Information on revenues flowing to the Forces nouvelles remains similarly scarce owing to its failure to divulge financial information to the Group of Experts and other international observers. However, given the major role of cocoa in the economy of northern Côte d'Ivoire and the results of the Group's field investigations, the Group concludes that the finances of Forces nouvelles have also benefited considerably from the favourable economic conditions that began in 2009, most notably the high international price of cocoa.

124. Figure III illustrates a steady increase in international cocoa prices, reaching its peak in January 2010 at US$ 3,527 per metric tonne. From June 2009 to June 2010, international market prices for cocoa beans increased by 21 per cent. Rising world cocoa prices (see fig. III) have a similar effect on cocoa producing regions in both the north and south of Côte d'Ivoire — generating greater revenues for the parties in control (whether Government or Forces nouvelles) through taxation.

Figure 2
**International price of cocoa beans, 2007-2010 (second quarter)**




*Source*: International Monetary Fund, "IMF commodity prices: actual market prices for non-fuel and fuel commodities, 2007-2010", 4 August 2010, prepared by IMF Research Department, Energy and Commodities Surveillance Unit, Washington, D.C.

125. The Group faced considerable difficulties when attempting to analyse the finances of the Government and the Forces nouvelles. Government institutions responsible for the management of natural resource revenues (including agriculture, oil, mines and forests) proved chaotic and uncooperative. Transparency was also impeded by corruption.[12] Likewise, the Forces nouvelles finances, administered by La Centrale, remain a virtual "black hole" owing to repeated failures by the Forces nouvelles to provide successive Groups of Experts with any budgetary information.

126. Given these difficulties, the Group relied heavily on information supplied by international financial institutions, Côte d'Ivoire's trade partners and domestic and foreign commercial entities in order to estimate each Ivorian party's budgets and revenues. The Group also used this information to cross-check the limited information provided by the Government, with a view to identifying budgetary inconsistencies that might suggest the diversion of revenues for the purchase of arms and related materiel. In the case of the Forces nouvelles, the Group did not receive any information to cross-check.

## B. Diversion risks: Government natural resource revenues

127. While Government agencies heavily tax the production and export of natural resources, many of the revenues generated remain unaccounted for. The ministries concerned are listed in table 4 below.

[12] According to a document published by the International Transparency Organization, Côte d'Ivoire occupies rank 154 out of 180 countries in the Corruption Perceptions Index 2009, the country ranked 1 being the least corrupt. Available from www.transparency.org/policy_research/surveys_indices/cpi/2009/cpi_2009_table.

Table 4
**Government agencies and ministries responsible for managing selected natural resources**

| *Resource* | *Ministry* | *Government agency* |
|---|---|---|
| 1. Cocoa | Ministry of Agriculture (*Ministère de l'agriculture*) | Cocoa and Coffee Management Committee (*Comité de gestion de la filière café-cacao* (CGFCC)) |
| 2. Oil | Ministry of Mines and Energy (*Ministère des mines et de l'énergie)* | Ivorian National Petroleum Operations Association (*Société Nationale d'Opérations Pétrolières de Côte d'Ivoire* (PETROCI)) |
| 3. Mining (diamonds, gold, manganese, nickel, copper) | Ministry of Mines and Energy (*Ministère des mines et de l'énergie)* | State Association for Mining Development in Côte d'Ivoire (*Société d'état pour le développement minier de la Côte d'Ivoire* (SODEMI)) |
| 4. Timber | Ministry of the Environment, Water and Forests (*Ministère de l'environment et des eaux et forêts)* | Association for Forest Development in Côte d'Ivoire (*Société de développement des forêts en Côte d'Ivoire* (SODEFOR)) |

*Source*: Group of Experts on Côte d'Ivoire.

128. In this regard, it is worth noting the 2009 country report of IMF in reference to proposed structural reforms, which IMF believes are required to improve the administration of revenues and the management of public expenditure: "Although progress was made in inventorying quasi-fiscal [extrabudgetary] fees levied by ministries, the work could not be completed because some ministries failed to cooperate."[13]

129. The Group notes that some 50 Government agencies, operating in various economic sectors, currently manage quasi-fiscal tax revenues that are not accounted for in the Government's official budget. The lack of budget accountability leaves these revenues open to mismanagement, embezzlement and diversion, the latter constituting a severe risk for violations of the sanctions regime.

## 1. Cocoa

130. The following sections present the Group's investigations into the management of cocoa revenues by Government agencies. They indicate that the potential for diversion of funds for the purchase of arms and related materiel in breach of the embargo is extensive and possibly accelerating.

[13] International Monetary Fund, *Country Report No. 09/326* (Washington, D.C., December 2009), para. 22.

### (a) Follow-up on the Comité de gestion de la filière café-cacao

131. As indicated in paragraph 46 of its midterm report dated 12 April 2010 (S/2010/179), the Group has assessed measures taken by the Government to improve transparency in relation to cocoa revenues administered by the Ivorian Cocoa and Coffee Management Committee (*Comité de gestion de la filière café-cacao* (CGFCC)).

132. The Government claims that it aims to lower overall cocoa taxation to a rate of 22 per cent of the CIF[14] price (including official and parafiscal taxes) in the year 2011. To date, it has only accomplished a reduction of between 5 and 10 per cent of official taxes. Parafiscal taxes remain at their previous levels.

133. With the exception of basic regulatory texts, the Group has not been granted access to any reports concerning the activities of CGFCC. According to the World Bank, CGFCC prepares a report on its business activities on a quarterly basis. During a visit to the local representative of the World Bank on 27 April 2010, the Group requested a copy of those reports but, to date, has not received them.

134. The Group's investigations suggest that revenue management by CGFCC continues to be extremely opaque and, short of meaningful reform, nothing impedes the Government from diverting its revenues for the purchase of arms and related material. The Group recalls, in this respect, the use of cocoa revenues in the past to procure arms and related materiel (see S/2006/204, para. 22).

135. As table 5 illustrates, between 2007 and 2010, US$ 80-124 million in parafiscal taxes levied on cocoa exports did not appear in the Government budget. Despite repeated requests, the Group has yet to be provided with an explanation as to how the Government has used these parafiscal revenues. The Group reiterates that its requests for clarification are based on concerns that these revenues are at high risk of diversion for arms acquisitions in violation of the arms embargo.

Table 5
**Value of parafiscal taxes levied on cocoa, 2007-2010**

| *Year* | *2007* | *2008* | *2009* | *2010 (Estimated)* |
|---|---|---|---|---|
| Exports of cocoa (millions of tonnes) | 1 111 | 1 124 | 1 245 | 1 263 |
| Tax rate per tonne (CFA francs) | 49 110 | 49 110 | 31 260 | 31 260 |
| Estimated revenues not in the country's budget (billions of CFA francs) | 54.5 | 55 | 38.9 | 39.48 |
| **Estimated revenues not in the country's budget (US$)** | **114 000 000** | **124 000 000** | **80 000 000** | **81 000 000** |

*Source*: International Monetary Fund, *Country Report No. 09/326* (Washington, D.C., December 2009), p. 31 and International Monetary Fund, *Country Report No. 10/228* (Washington, D.C., July 2010) p. 19; additional calculations from the final report of the previous Group of Experts on Côte d'Ivoire (S/2009/521), table 10.

[14] The CIF (cost, insurance and freight) is the price of a good delivered at the frontier of the importing country, including insurance and freight charges incurred during transportation.

### (b) Results of Government inquiries into cocoa corruption

136. As noted in paragraph 228 of the final report of the previous Group of Experts (S/2009/521), the Government frequently asserts that it is in the process of investigating high-level corruption in cocoa-related Government agencies.

137. On 13 July 2010, some of the results of those investigations were published in a media report,[15] which cited a 137-page report by the Public Prosecutor's office that accused 30 executives of former cocoa agencies with systematic racketeering, including the following forms of financial fraud:

Inexistent funding of cocoa cooperatives;

Fraudulent bank account management;

Fictitious tax payments;

Overpriced purchase of companies;

Fictitious company's bankruptcy;

Overseas companies' purchases and fraudulent manoeuvres;

Moneys stolen from cocoa agencies and businesses;

Unauthorized fees for executives;

Fictitious expenses;

Creation of "ghost" accounts to benefit from interest paid.

138. On 10 August 2010, the Group of Experts sent a letter to the Public Prosecutor of Côte d'Ivoire, requesting confirmation of the reports and further information relating to the diversion of revenue. Although similar requests had been made by previous Groups of Experts (see S/2009/521, para. 229), the Group has yet to receive a reply.

139. The timely release of the requested information will enhance the capacity of the Group of Experts and international financial organizations, such as IMF and the World Bank, to monitor the use of cocoa revenues more closely. The Group believes such monitoring is critical to identifying the possible diversion of funds for the acquisition of arms and related materiel in violation of the embargo.

### (c) Cocoa revenues used to purchase vehicles for the security forces

140. On 19 May 2010, four brigades of the Gendarmerie nationale, operating in the towns of Sassandra, Gueyo, Aboisso and Aniassué, received a donation of pick-up trucks in a ceremony attended by the president of the National Council of Cocoa Elders (Conseil national des sages de la filière café-cacao (CNS)).[16] While the vehicles are reported as having been provided by CNS, they are marked "gift of the cocoa and coffee management committee".

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[15] *Le Nouveau Courrier* (Abidjan) No. 043, 13 July 2010, pp. 3-5.

[16] CNS differs from CGFCC. CNS was created by Decree 2008-273 of 3 October 2008. CNS is a consultative body and a guarantor of stability in the coffee-cocoa sector. See *Autorité de régulation du café et du cacao*, "Revue de presse: actualité du café et du cacao", 1-31 October 2008, p. 11.

141. These vehicles are civilian models and have not been constructed to any military specification. However, as noted in the Arms and Customs sections of the present report (see paras. 67-70 and 417-424, respectively), transfers of large numbers of vehicles to the Ivorian security forces significantly enhance their mobility, which has an impact on the balance of forces in Côte d'Ivoire in the event of armed conflict.

142. The Group notes that this is not the first instance of the involvement of CGFCC in vehicle supplies to Ivorian security forces. In paragraphs 76 to 78 of its final report (S/2009/521), the previous Group of Experts reported the purchase of 24 vehicles by CGFCC, which it believed were destined for use by security forces.

143. The Group met representatives of CGFCC on 16 March 2010 to discuss this matter. During the meeting, the Group requested data on the organization's revenue and expenditure, and confirmation regarding the recipient of the vehicles in question. It requested the same information in a letter dated 18 March 2010. The Group's requests remain unanswered, raising, once again, the issue of a lack of transparency.

**Pick-up truck supplied by CGFCC, Aboisso, May 2010**

*Source*: @bidj@n.net. 2010, "Sécurité: Les brigades de la Gendarmerie nationale de Sassandra, Gueyo, Aboisso et Aniassué, équipées en moyens de mobilité", Photo No. 44663, 22 May, http://news.abidjan.net/photos/photo.asp?id=44663.

## 2. Oil industry

144. The Group notes with concern that portions of the revenues obtained by the Ivorian Government from oil exploitation are unaccounted for and could possibly be diverted for the purchase of arms and related materiel.

145. International oil industry prices have experienced a modest but stable increase since March 2009. Côte d'Ivoire's oil industry has consequently experienced

moderate growth. In a 2009 report, IMF noted that Côte d'Ivoire's oil revenues had been higher than expected due to production above the budgeted US$ 50 per barrel.[17]

146. The Group has been unable to obtain recent, reliable oil production figures, owing to the unwillingness of the Government and most private oil companies operating in Côte d'Ivoire to reveal accurate figures on oil production and revenues.

147. The Group understands, following its contacts with a variety of third-party sources, that private companies and investors receive between 60 and 80 per cent of the oil revenues, depending on the type of contract. The Government of Côte d'Ivoire receives between 20 and 40 per cent of oil revenues.

148. Of the Government's 20 to 40 per cent of revenues, 50 per cent flows directly to the treasury and the remaining 50 per cent is retained by the Government-controlled Ivorian National Petroleum Operations Association (*Société nationale d'opérations pétrolières de Côte d'Ivoire*) (PETROCI). Revenues held by PETROCI are not accounted for in the country's budget (see table 6).

Table 6
**Extrabudgetary oil revenues received by PETROCI, 2007-2010**

| *Year* | *2007* | *2008* | *2009* | *2010 (Estimated)* |
|---|---|---|---|---|
| Exports of crude oil and refined products (in billions of CFA francs) | 1 389.5 | 1 324.4 | 1 450.4 | 1 859.8 |
| In millions of United States dollars | 2 900 | 2 969 | 2 996 | 3 842 |
| **Estimated revenues not in the country's budget (US$)** | **$290 000 000** | **$296 900 000** | **$299 600 000** | **$384 200 000** |

*Source*: Group of Expert's own calculations from International Monetary Fund, *Country Report No. 09/326* (Washington, D.C., December 2009), table 4 and International Monetary Fund, *Country Report No. 10/228*, July 2010, table 3.

*Note*: Estimated revenues not in the country's budget calculated by the Group of Experts as the 10 per cent of the country's crude oil and refined product exports in US$.

149. The Group maintains that an unaccounted sum of around US$ 380 million dollars per year, approximate to Côte d'Ivoire's annual military budget presents a serious risk of misappropriation, including diversion for the purchase of arms and related materiel in violation of the embargo (see para. 189 below).

150. During meetings with the Group, representatives of IMF and the World Bank acknowledged not having been given access to the accounts of PETROCI. In addition, IMF states that it has little confidence in the Government's management of oil revenues, particularly those administered by PETROCI.

151. According to IMF Country Report No. 10/228 of July 2010, the Government is currently making efforts to increase transparency in the oil sector by publishing

[17] International Monetary Fund, *Country Report No. 09/326* (Washington, D.C., December 2009), p. 15.

quarterly reports on oil and financial flows and implementing an automatic petroleum product pricing mechanism, and has integrated the Tax Directorate within the existing framework for monitoring oil extraction, to enhance monitoring.

152. Despite repeated requests to the Government of Côte d'Ivoire, PETROCI and private companies, the Group has not been supplied with the requested information. For instance, the Group did not receive a reply from the Ministry of Mines and Energy to its letter dated 12 January 2010, requesting data on production, revenues and taxes paid to the Government from oil and gas production and exports. Nor did the Ivorian refining association (Société ivoirienne de raffinage) reply to similar requests.

153. Moreover, on 1 February 2010, PETROCI stated that "examination of the document [resolution 1893 (2009)] attached to your fax does not indicate that the oil and gas sector is specifically referred to by the resolution [1893 (2009)]". PETROCI informed the Group, on 24 February 2010, that only the Government could instruct PETROCI to supply information to the Group, which it had not done. The Group contests both assertions made by PETROCI (see annexes XII and XIII).

154. Regarding cooperation from major multinational firms, of six letters addressed by the Group to oil companies with operations in Côte d'Ivoire, four companies did not reply and two sent incomplete or irrelevant replies. Given the mandate of the Group to conduct investigations "on the sources of financing, including from the exploitation of *natural resources* in Côte d'Ivoire, for purchases of arms and related materiel and activities" (emphasis added), the Group considers that this is another indicator of a lack of compliance with the resolution by both the Government and private companies.

## C. Diversion risks: Forces nouvelles natural resource revenues

155. Taxes levied on the cocoa trade by the Forces nouvelles are completely opaque. Despite repeated requests for access to budgetary information from the central treasury (La Centrale), the Group has not received any response. Nor have previous Groups of Experts received adequate responses.

156. The findings in the following paragraphs indicate that cocoa is a major source of revenue for particular elements within the Forces nouvelles. Because these funds are completely unaccounted for, and the parties concerned are re-equipping with military materiel (see paras. 114-117 of the Arms section above), the funds are at high risk of being used to purchase arms and related materiel in breach of the embargo.

### 1. Multinational cocoa companies and Forces nouvelles zone commanders

157. The primary cocoa-producing region in the Forces nouvelles-controlled north of Côte d'Ivoire occupies an area situated around and between the towns of Man, Séguéla and Vavoua.

158. Ten multinational companies purchase cocoa that originates from this region.[18] The cocoa is exported from Côte d'Ivoire, transits Burkina Faso and is purchased

[18] Three of these companies were also registered with the Comité de gestion de la filière café-cacao (CGFCC) as official coffee and cocoa exporters for the 2008/2009 season. This indicates that they may have purchased from both the north and south of Côte d'Ivoire simultaneously.

and exported at the seaport of Lomé, Togo. The Group sent letters to the 10 companies, requesting the total tonnage and value of cocoa purchased from the region from January 2005 to date.

159. Of the 10 companies, eight replied. In their responses they either denied having made purchases of cocoa originating from the Man-Séguéla-Vavoua region in Côte d'Ivoire, or claimed that they had purchased the cocoa in Lomé seaport at FOB[19] prices and, therefore, did not know the precise origin of the commodity.

160. The Group believes that these multinational companies are fully aware of the origin of the cocoa, owing to the fact that deals are made with prominent regional intermediaries (*traitants*), whose businesses operate simultaneously in the Man-Séguéla-Vavoua region and Lomé. Some of these *traitants* have also confirmed having done business with some of the 10 companies and have shown their book records to the Group of Experts.

161. Although there is not an embargo on cocoa exports from Côte d'Ivoire, the Group deems it relevant to highlight the consequences of such purchases. As the figures presented below suggest, at least 10 per cent of cocoa payments made in Lomé by multinational companies benefit Forces nouvelles zone commanders directly.

162. Table 7 presents estimated cocoa revenues, totalling more than US$ 11 million, obtained during the primary 2009/2010 growing season by the two commanders of zones 5 and 6, Ouattara Issiaka (Wattao) and Losseni Fofana (Loss), respectively.

Table 7
**2009/2010 cocoa tax revenues accrued by the commanders of zones 5 and 6**

| | *Séguéla-Vavoua (zone 5)* | *Man (zone 6)* |
|---|---|---|
| Name of zone commander | Ouattara Issiaka (Wattao) | Losseni Fofana (Loss) |
| Average number of trucks per day (i) | 30 | 15 |
| Number of days (3-month season) (ii) | 90 | 90 |
| Average fee paid to zone commander (CFA francs per truck) (iii) | 1 020 000 | 2 000 000 |
| Revenue accrued by zone commander (CFA francs) | 2 754 000 000 | 2 700 000 000 |
| **Revenue accrued by zone commander (US$)** | **5 690 000** | **5 600 000** |

*Source*: Group of Experts on Côte d'Ivoire. Data obtained from numerous interviews during 2010 field investigations.

*Note*: The figure for "Revenue accrued by zone commander (CFA francs)" is the result of multiplying (i) by (ii) by (iii).

163. The US$ 11 million presented above is in addition to the already lucrative revenues enjoyed by the commanders from businesses such as timber and real estate.

[19] FOB indicates that the product is "free on board". The significance for this case is that the buyer takes responsibility for the goods upon loading. Until this point, the seller is responsible for clearing the goods for export and, by implication, ascertaining the origin of the goods.

164. The Group believes that at least six of the 10 Forces nouvelles zone commanders benefit from revenues generated through taxing the cocoa trade: profits that have increased given the rising international price of cocoa in recent years. Not one of these commanders has elected to disclose his accounts to the Group of Experts. The Group notes that this is another case where a total lack of transparency suggests possible violations of the embargo.

Table 8
**Forces nouvelles revenues from cocoa taxation**
(Millions of United States dollars)

| *Item* | *2007* | *2008* | *2009* | *2010 (Estimated)* |
|---|---|---|---|---|
| Taxes on cocoa | 22 | 28 | 36 | 38 |

*Source*: International Monetary Fund, *Country Report No. 09/326* (Washington, D.C., December 2009), p. 31 and *Country Report No. 10/228*, July 2010, p. 19. Additional calculations by the Group of Experts on Côte d'Ivoire (1 per cent of cocoa exports FOB prices in the Government-controlled zone in the south).

165. As a whole, the Forces nouvelles revenues derived from cocoa taxation probably total US$ 22-38 million annually (see table 8), of which virtually all remains unaccounted for. Without increased transparency from the Forces nouvelles and the companies responsible for ultimately purchasing the cocoa, this situation is unlikely to change.

### 2. The role of Burkina Faso in the cocoa trade

166. During its visit to Burkina Faso, the Group met officials from the Ministry of Finance, the National Customs Directorate and the Ministry of Commerce, Business Promotion and Artisanal Work. One of the Group's primary subjects of enquiry was the transit of northern Ivorian cocoa through Burkina Faso to the seaport of Lomé, Togo, in line with the investigations referred to in the final report of the previous Group of Experts (S/2009/521).

167. According to the Director General of Customs and other officials, Burkina Faso has little interest in transit Ivorian cocoa, primarily because it is not taxable.[20] The Group contests this assertion and notes that Burkinabé customs officials do, in fact, pay close attention to transit goods from northern Côte d'Ivoire, including cocoa, and their consequent taxation.

168. Traders in cocoa have to pay a transit tax to the Burkinabé authorities for each transit cocoa cargo. On average, the authorities charge each 40-tonne truck around CFAF 6.4 million (approximately US$ 12,400), which is around 1 per cent of the value of the cargo. Although this tax necessitates the relevant authorities keeping detailed records on transit goods, Burkinabé customs officials informed the Group that no centralized records exist and that they were unable to provide the information requested.

[20] This was an indirect reference by the Director General to the terms of the agreement established among West African Economic and Monetary Union (Union économique et monétaire ouest-africaine (UEMOA)) countries, which abolishes import duties on trade between UEMOA member States.

169. On 19 August 2010, the Burkinabé authorities confirmed that data previously requested with regard to transit statistics were not computerized.

170. Nevertheless, the Group obtained from another source a document listing transit statistics. This document is part of a central computer database and is watermarked "DGD" (for *Direction générale des douanes* or General Directorate of Customs), which is clear evidence of the existence of centralized transit records (see annex X).

171. The Group concludes that, despite Burkina Faso's insistence that it is not involved in the trade of cocoa emanating from northern Côte d'Ivoire, Burkinabé economic interests, are, in fact, involved in the trade. The Group calls for greater transparency on the part of the Burkinabé authorities in its dealings with the Group of Experts.

## D. North and south: mining (including diamonds) and forestry

172. Minerals and forestry are important for the economy of Côte d'Ivoire, but the revenues derived from these activities are scarcely accounted for by either the Government or the Forces nouvelles. There is a considerable risk that these unaccounted revenues could be diverted with a view to violating the embargo.

### 1. Unaccounted for mining revenues

173. The Government reports insignificant and arguably erroneous (see below) revenues from mining operations, claiming a total of only US$ 600,000 under the item "various mineral royalties and revenues" in the country's 2008 budget. The Forces nouvelles does not report revenues from any mining activities within its areas of control. This makes it difficult to establish to what use the Forces nouvelles, or individuals within the organization, put these funds.

#### (a) Diamonds

174. The Group estimates that, each year, northern Côte d'Ivoire produces and exports rough diamonds totalling between 500,000 and 1 million carats in weight (see paras. 204-209 of the Diamonds section below). This trade is worth between US$ 145 million and 290 million[21] per year, of which, the Group believes Forces nouvelles zone commanders Ouattara Issiaka (Zone 5, Séguéla) and Martin Kouakou Fofié (Zone 10, Korhogo, Tortiya) tax not less than 8 per cent or between US$ 11.6 million and 23.2 million a year. The use of diamond revenues is entirely opaque and the Group cannot rule out arms acquisitions by the Forces nouvelles in breach of the embargo.

#### (b) Gold

175. Interviews by the Group suggest that Côte d'Ivoire's gross gold production in 2009 was around 7 tonnes, with fine gold production of 6 tonnes. The majority of

[21] This is a conservative estimate, based on the 10 August Rapaport lower price for rough diamonds of between 0.51 and 1.00 carats of US$ 290 per carat (Côte d'Ivoire produces good quality crystals, with a Rapaport price range of between USD 290-USD 470 per carat for diamond crystals of 0.51-1.00 carats).

this production occurs in the south. Taken together, this production is worth an estimated US$ 448 million.

176. The Government-controlled State Association for Mining Development in Côte d'Ivoire (*Société d'état pour le développement minier de la Côte d'Ivoire* (SODEMI)) receives a percentage of revenues derived from gold exports. Given that annual gold revenues are estimated at US$ 448 million and that the declared budget for "various mineral royalties and revenues" is only US$ 600,000, this suggests a significant accumulation by the Government of parafiscal revenues derived from gold exploitation, and the consequent danger of funds being diverted for the purchase of arms.

177. The Forces nouvelles levy some taxes on gold mining, which the Group believes largely occurs at the point of mining, but they have not disclosed any budgetary information, whether regarding gold or any other commodity to the Group.

178. Owing to the reluctance of the Government and Forces nouvelles to provide information, the Group has not been able to determine the value of taxes levied by the two parties on gold production and exports.

179. The Group notes that it did not receive a reply from the Ministry of Mines and Energy in response to its communication of 22 January 2010, in which it requested information on gold production, exports and revenues generated from taxes levied from 2007 to 2010.

180. On 4 May 2010, the Group queried a private gold exploitation company regarding gold production, exports and taxes paid to the Government. It did not receive a reply.

### (c) Manganese

181. Although manganese revenues are not specified in the Government's budget, manganese production is under way at Tienko, Kouassi Datekro, M'bahiakro and Tiassaléhe. The private company responsible for exploitation did not reply to the Group's request of 3 March 2010 for information about production, exports and taxes paid to either the Government or the Forces nouvelles.

182. Two additional companies involved in manganese exploration or production in Bondokou, Borumba, Kofu, Kouassi Datekro, Nanyango, Siminimi, Toumodi and Zeimougola also failed to reply to the Group's letters dated respectively 3 March and 4 May 2010.

## 2. Unaccounted for timber revenues

183. The production of timber comprises a relatively small yet significant part of Côte d'Ivoire's economy. The industry's turnover is close to US$ 500 million a year, with an estimated annual production of around 1.7 million cubic metres of timber.[22] Local market consumption is very limited and most of this production is destined for export.

[22] International Tropical Timber Organization (ITTO), "Mission in support of the Government of Côte d'Ivoire to achieve the ITTO 2000 objective on sustainable forest management; report of a diagnostic mission to Côte d'Ivoire, 25 August to 5 September 2008", pp. 3-4.

184. In the Government-controlled south, the industry is heavily taxed through official (fiscal) and extrabudgetary (parafiscal) taxes. The Association for Forest Development in Côte d'Ivoire (*Société de développement des forêts en Côte d'Ivoire* (SODEFOR)) is the primary recipient of parafiscal taxes.

185. In the Forces nouvelles-controlled north, most timber exploitation occurs around the town of Man in western Côte d'Ivoire, which is under the control of the Forces nouvelles zone commander Losseni Fofana.

186. In Man, at least 45 timber businesses each pay a monthly tax of CFAF 3 million (US$ 6,000) to the zone commander. This represents annual revenues of US$ 3.2 million per year, which, together with revenues from cocoa taxes of US$ 5.6 million (see table 7), amounts to an annual income of US$ 8.8 million from these commodities alone. Without budgetary information from the Forces nouvelles (requested repeatedly, but not provided), it is unclear how much revenue Mr. Fofana receives personally.

## E. Revenues from natural resources risk a protracted crisis

187. This section has recounted the most important natural resources and their impact on the revenues flowing to each party to the crisis in Côte d'Ivoire. Côte d'Ivoire is, by regional standards, a wealthy country, with 40 per cent of the combined GDP of UEMOA member States.

188. Outstanding issues need to be addressed to guarantee the appropriate and transparent investment of the country's natural resource revenues, not least for the development of the country and the benefit of its population. Despite promising GDP growth of 3.7 per cent in 2009 and promises made to international financial organizations, the reality is that very few improvements to the country's economic management are evident.

189. The obvious conclusion is that, despite claims by the Government, massive revenues, particularly from cocoa and oil, are still at risk of diversion for the purchase of arms and related materiel. As table 9 illustrates, unaccounted revenues in the cocoa and oil sectors are so great as to exceed Côte d'Ivoire's annual military budget.

Table 9
**Unaccounted oil and cocoa revenue, and the defence budget (US$)**
(In United States dollars)

| *Year* | *2007* | *2008* | *2009* | *2010* |
|---|---|---|---|---|
| Oil and cocoa revenues missing | 404 000 000 | 420 900 000 | 379 600 000 | 465 200 000 |
| Defence budget | 316 000 000 | 376 000 000 | 361 000 000 | 392 000 000 |

*Source*: International Monetary Fund, *Country Report No. 09/326* (Washington, D.C., December 2009), p. 31 and *Country Report No. 10/228* (Washington, D.C., July 2010), p. 19; additional calculations from the final report of the previous Group of Experts on Côte d'Ivoire (S/2009/521), table 10. Defence budget based on 1.6 per cent of GDP figures.

190. In conclusion, the Group stresses the need for international financial organizations and donors to recognize the threat of revenue diversion by both the

Government and the Forces nouvelles. Countries with abundant natural resources that are subject to sanctions by the Security Council provide a ready example of revenue diversion. Following up on such examples will enhance the capacity of the international community and private businesses to exercise due diligence to ensure that cocoa, oil, mineral and forestry revenues are not used for the purchase of arms and related materiel.

# VIII. Diamonds

191. There is an ongoing lack of control in Côte d'Ivoire's diamond-mining areas. The absence of transparency and accountability in the Ivorian diamond sector facilitates the misuse and looting of the country's diamond deposits, which are worth millions of United States dollars. This occurs despite the redeployment of Government officials from the Ministry of Mines to mining sites in the north of the country.

192. Most Member States have proved unwilling or unable to monitor and prevent imports of Ivorian rough diamonds into their territories. Illicit traders misuse the Kimberley Process Certification Scheme (KPCS) to certify Ivorian diamond exports fraudulently.

193. During its mandate, the Group identified a number of regional and international trading routes used to transfer Ivorian rough diamonds. It also identified individuals and companies laundering Ivorian diamonds through neighbouring countries.

## A. Côte d'Ivoire's diamond sector

194. The situation with respect to Ivorian rough diamonds has not changed significantly since the submission of the final report of the previous Group of Experts (S/2009/521). Diamond deposits continue to be mined. Despite the fact that the import of Ivorian rough diamonds is sanctioned and there are no signs of stockpiles within the country, these diamonds continue to appear on international markets.

195. The redeployment of Ministry of Mines representatives to the diamond-mining towns of Séguéla and Tortiya has not had an impact in terms of combating the illicit exploitation of diamond deposits, nor has it increased transparency in the diamond trade.

### 1. Redeployment of Ministry of Mines officials

196. In 2002, following the outbreak of violence between Government forces and the Forces nouvelles, the Ivorian Ministry of Mines introduced a ban on all diamond mining activities. In theory, the ban should have prevented the exploitation of diamond deposits in northern Côte d'Ivoire. It has not.

197. For various reasons (see S/2009/188, paras. 77-84), the ban has been ineffective in combating the illicit exploitation of the Ivorian diamond deposits. Today, the economies of Séguéla and Tortiya continue to depend mostly on the production of rough diamonds.

198. In 2007, the Government of Côte d'Ivoire redeployed seven officials from the Ministry of Mines to the towns of Séguéla and Tortiya. Their task has been to monitor, report on and regulate mining activities, including the registration of diamond miners, dealers, buyers and sellers.

199. However, to date, the redeployed officials have not been able to produce a list of diamond dealers, buyers or sellers or to identify the persons who are violating the Government's ban on mining. The redeployment of Government officials has not changed the status quo that existed in Séguéla before 2003.

### 2. Diamond proceeds do not contribute to the national budget

200. Different sources provide varying accounts of the scale of proceeds from diamond sales in northern Côte d'Ivoire. Despite this, the Group concludes that the diamond cooperative (*Groupement vocation cooperative*), the Forces nouvelles and the Ministry of Mines retain around 20 to 30 per cent of the proceeds.

201. The Group cannot account for the distribution of the remaining 70 per cent and it is unclear whether these funds flow to other parties, such as Forces nouvelles zone commanders (see paras. 114-117 of the Arms section above), some of whom are re-equipping with military materiel.

202. What is clear is that the funds are not used to improve public services. The absence of any infrastructure in Séguéla and Tortiya, for example, is alarming given the region's affluence in natural resources. Séguéla's hospitals, schools, roads and electricity supplies are rapidly deteriorating. For six months in 2010, the town remained without electricity or water.

203. Despite repeated efforts, the Group has been unable to obtain receipts or documents that can establish accountability and transparency in the diamond sector. The ultimate beneficiaries of the illicit trade in Ivorian rough diamonds therefore remain unknown to the Group.

### 3. Diamond mining activity in Séguéla and Tortiya

204. The economies of Séguéla and Tortiya remain based on diamond production and sales. Séguéla accounts for the majority share of production, with its higher yielding, primary diamond deposits attracting larger organizations of miners. Alluvial diamond mining sites in Tortiya, by contrast, continue to be mined by small artisanal groups.

205. The Group has received conflicting information regarding the intensity of mining in Tortiya. While some sources suggest that activity has increased, the Group has not yet been able to find the exact location of the mining sites concerned.

206. Diamond mining in Séguéla, on the other hand, has been thriving. In 2009, the previous Group of Experts identified 15 primary diamond deposits in the vicinity of the town. There are two kimberlite dykes and 13 smaller kimberlite blows, which currently yield an output that is far higher than prior to the conflict.

207. In 2009, the Kimberley Process Working Group of Diamond Experts (KP WGDE) revised its estimate of Séguéla's diamond production from an average of 114,000-188,500 carats per year to 145,800-292,100 carats (see table 10).

208. It is important to note that the KP WGDE used pre-conflict alluvial mining data to produce its estimates. Because alluvial mines produce a lower yield than the primary deposits that are now being mined in Séguéla, the Group maintains that these estimates are likely to be conservative and it is no longer accurate to use pre-conflict data to estimate Séguéla's production.

209. The Government Association for Mining Development (*Société pour le développement minier de la Côte d'Ivoire* (SODEMI)), estimates an annual diamond production of 1 million carats. The SODEMI revised annual production figure is more than three times higher than the KP WGDE 2009 upper-range estimate (see table 10).

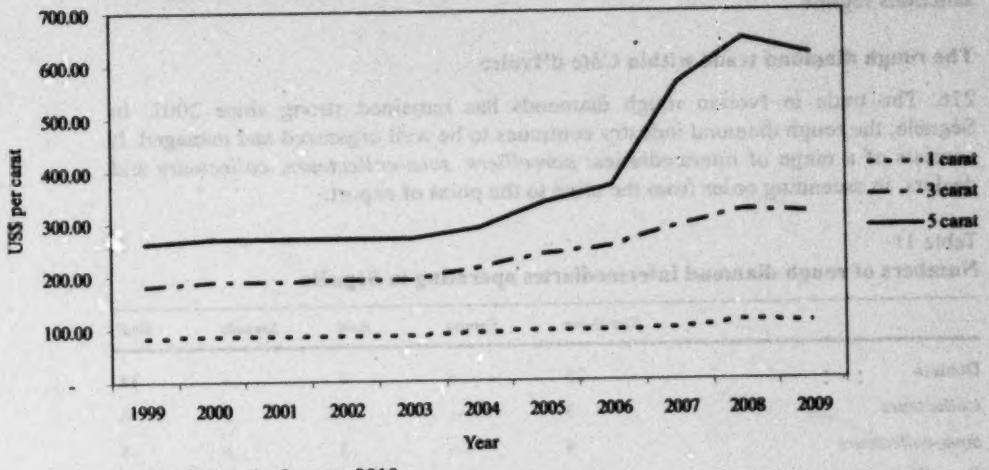
Table 10
**Diamond production estimates for Séguéla and Tortiya**
(Carats)

| | *KP WGDE 2007-2008 estimate* | *KP WGDE 2008-2009 estimate* | *SODEMI* |
|---|---|---|---|
| **Séguéla** | | | |
| Old deposits | 104 000-173 000 | 80 500-127 000 | |
| New deposits | | 55 300-150 000 | |
| **Tortiya** | 10 000-15 000 | 10 000-15 000 | |
| | **114 000-188 500** | **145 800-292 100** | **1 000 000** |

*Source*: KP WGDE data from report to KP at its Seventh Plenary Meeting, 3 November 2009; other data from SODEMI.

210. As figure IV illustrates, the price of polished diamonds has been steadily increasing over the past decade. The price of 1 carat polished diamonds increased by 32 per cent, 3 carat diamonds increased by 74 per cent and 5 carat diamonds increased by 135 per cent. Since Ivorian gem-quality rough diamonds are between 1 and 20 carats, the increase of polished diamond prices has had a positive impact on the selling prices of Ivorian diamonds.

**Figure IV**
**International polished diamond prices, 1999-2009**




*Source*: Rapaport, January 2010.

211. In conclusion, there are likely to have been significant increases in revenues from diamond-mining in Séguéla. This is due to the expansion of mining activity and the increased price of rough diamonds. However, it remains unclear which investors benefit from these increased revenues.

### 4. Access to geophysical studies

212. Within Côte d'Ivoire, SODEMI is the only entity that has the necessary capacity to conduct and analyse geophysical studies. Prior to the conflict, SODEMI operated from a camp situated next to the diamond-mining village of Bobi, near Séguéla, from which it conducted its operations in the north of the country and kept records of geological surveys.

213. Following the outbreak of conflict in 2002, SODEMI evacuated its staff from the camp and left behind all its documents, including geophysical studies. The Forces nouvelles later occupied the SODEMI offices. Some of the documents that had been left behind included the GPS locations of the diamond deposits, which could very well explain how parties later found the exact location of primary sites.

### 5. Investing in primary deposits

214. The post-conflict change in Ivorian mining activities from alluvial to primary deposits has necessitated improved mining techniques, better extraction equipment and the organization and management of miners. Primary deposits are now worked by several hundred miners who have to be well managed. Similarly, the mines require the input of geologists and engineers to direct mining towards the highest yields.

215. All of these measures require investment that is significantly greater than that required for alluvial mining. However, given strong international demand for rough diamonds and high prices, funds are readily available for investment. International rough diamond prices have increased by 6 per cent in the past two years. The

average price per carat in 2010 is now US$ 525.[23] This has made investments in Séguéla's diamond mines highly attractive to investors willing to violate the sanctions regime.

### 6. The rough diamond trade within Côte d'Ivoire

216. The trade in Ivorian rough diamonds has remained strong since 2002. In Séguéla, the rough diamond industry continues to be well organized and managed. It consists of a range of intermediaries: *parcelliers, sous-collecteurs, collecteurs* and dealers, in ascending order from the mine to the point of export.

Table 11
**Numbers of rough diamond intermediaries operating in Séguéla**

| | *Diarabana* | *Forona* | *Bobi* | *Séguéla* | *Total* |
|---|---|---|---|---|---|
| Dealers | 25 | 5 | 4 | — | 34 |
| *Collecteurs* | 3 | — | — | 2 | 5 |
| *Sous-collecteurs* | 4 | — | 3 | 1 | 8 |
| *Parcelliers* | — | — | — | 27 | 27 |
| | | | | | 74 |

*Source*: Forces nouvelles.

217. Diamond exports from northern Côte d'Ivoire appear to follow three principal routes. First, the dealers and *collecteurs*, based in locations listed in table 11, trade diamonds between Côte d'Ivoire and Mali.

218. Second, Ivorian traders based in Séguéla also have offices in Abidjan, which they use to deal in diamonds, in addition to other commodities, such as gold, cashew nuts, cocoa and coffee. Some of them are shareholders in diamond exporting companies in Liberia (see paras. 253-275 below).

219. Third, international buyers also travel to Séguéla and Diarabana to buy diamonds at the source. These diamonds are then transported to Abidjan before being exported. Some of these buyers are also dealers and shareholders in diamond exporting companies in Liberia, Guinea and Ghana.

## B. Kimberley Process

220. In 2000, the United Nations General Assembly adopted resolution 55/56 supporting the creation of an international certification scheme for rough diamonds. With the backing of the United Nations, the Kimberley Process Certification Scheme (KPCS) came into force in 2003 when Governments, civil society and the diamond industry came together to "end" the trade in conflict diamonds. A decade later, however, KPCS continues to face severe challenges, which undermine its effectiveness in combating the illicit trade in Ivorian rough diamonds.

[23] Rapaport TradeWire, 6 July 2007 and 20 August 2010.

### 1. Cooperation with the United Nations

221. Kimberley Process (KP) cooperation with Groups of Experts has been declining since 2008. In 2009, the KP Chair failed to reply to any of the Group's official communications. At its plenary meeting in November 2009 in Namibia, KP passed an "administrative decision" on cooperation with the United Nations". The decision presents a wall of procedures to Groups of Experts seeking information from KP.

222. Early in the current mandate, the Group requested access to the KP statistics website which aggregates data from all KP participants. Despite many official communications and the Group's assurances of confidentiality, it took the KP eight months to provide access to the website.

223. This delay seriously hindered the Group's analysis of Ivorian diamond infiltration into West African countries and prevented the Group from completing its investigations, contrary to paragraphs 18 and 19 of resolution 1893 (2009).

224. The Group's lack of access to the KP statistics website also prevented it from monitoring KP records of rough diamond exports from Guinea, a country whose officials have been open about its inability to control mining sites or its borders with Côte d'Ivoire (see S/2009/521, para. 308).

### 2. Misuse of the Kimberley Process Certification Scheme to certify illicit Ivorian rough diamonds

225. The Group uncovered a number of cases in which traders have misused KPCS to certify illicit Ivorian rough diamonds fraudulently. These cases have included exports of Ivorian rough diamonds to KPCS members Ghana, Guinea and Liberia.

226. As discussed in the final report of the previous Group of Experts (see S/2009/521, paras. 292-306), between 2003 and 2007, Ivorian rough diamonds infiltrated the Ghanaian KP certification process. In 2007, these illicit activities shifted from Ghana to Liberia. As paragraphs 278-293 below explain, Guinea is the most recent destination for Ivorian rough diamonds to have been discovered by the Group.

227. Compliance with KPCS does not mean compliance with the sanctions regime. A KP certificate is a document that is supposed to certify a diamond's origin and thereafter accompany it from the mine of origin to the point at which it is polished. This is not the case. Diamonds consistently infiltrate the diamond production of KP participants and are then issued with KPCS certificates.

228. The KP does not prevent Ivorian diamonds from entering the international diamond trade and it fails to take action when the KPCS system is being misused. Although it can enact measures to reduce the likelihood of misuse, its members have not been able to reach a consensus.

## C. Ghana

229. Ghana is a member of KPCS. The Scheme is supposed to block entry of illicitly imported rough diamonds from States in conflict into Ghana's diamond trading system. For these reasons, the Group continues to monitor the effectiveness of the implementation by Ghana of KPCS.

230. As discussed in the final report of the previous Group of Experts (see S/2009/521, paras. 292-306), illicit traders have used Ghanaian diamond voucher receipts to certify rough diamonds of Ivorian origin as Ghanaian-produced stones. This misled the Ghana KP Office into issuing KP certificates for illicitly imported Ivorian rough diamonds, which were later exported as Ghanaian KP-certified stones to international diamond trading centres.

231. In response to uncertainty regarding Ghana's controls on rough diamonds (notably KP certification), in 2007 the European Commission (EC) led a consortium to assist Ghana to improve its controls. The improvements proposed by EC included: registration of informal (*galamsey*) miners, strengthening the system of internal controls and estimating the country's diamond production capacity.

### 1. Registration of informal (*galamsey*) miners

232. Ghana's registration of *galamsey* miners is an important step towards preventing Ivorian diamonds from entering Ghana's diamond production, and one which encourages accountability and transparency. Its implementation, however, has been limited and there appears to have been little-to-no registration since 2008.

233. Following the 2007 EC plan, Ghana registered a total of 6,420 *galamsey* miners in the Akwatia mining region. According to the Ghana Minerals Commission, it registered no new miners in 2010 and the total number of registered *galamsey* miners remains at its 2007 total of 6,420.

234. There are now an estimated 10,000 active *galamsey* miners in Ghana,[24] in addition to large numbers of suspected miners in the Lower Birim region. This means that at least 3,500 miners remain unregistered.

235. The stalled registration of *galamsey* miners seriously compromises Ghana's efforts to reform its diamond industry. With more non-registered miners selling diamonds from unknown origins, Ghana's diamond trading system is more susceptible to the infiltration of Ivorian diamonds. As such, it is not possible for Ghana to verify that the diamonds it certifies and exports are of Ghanaian origin.

### 2. Interruptions in the system of internal controls

236. The strength and validity of any system of internal controls rests on its ability to trace and validate the origin of a diamond to the place of mining and to verify the authenticity of documents accompanying a stone.

237. In Ghana, there are three major shortcomings with the system of internal controls. First, there is only one diamond registration office; second, diamond receipts are inaccurately completed and third, purchase vouchers cannot be traced to particular diamond receipts.

238. In Ghana, there is only one diamond production registration office: the Minerals Commission Office,[25] situated in the Akwatia mining region. Diamond miners (whether registered or unregistered) are expected to bring diamonds to the Minerals Commission Office, where they are issued with a diamond receipt.[26]

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[24] European Commission report on technical assistance for the implementation of KPCS, March 2010.

[25] In Ghana, the Minerals Commission Office is referred to as the KP Office in Akwatia.

[26] Source: Precious Minerals Marketing Company, April 2010.

However, the distances between the mines and the Office make it difficult for miners to register diamonds themselves.

239. The Akwatia diamond field is more than 150 kilometres in width, and mines in the Bonsa field can be as far as 200 kilometres from the Minerals Commission Office. Rough diamonds, therefore, often change hands, from miners to carriers, before they reach the Minerals Commission Office, which makes it easy for them to become mixed with non-Ghanaian stones. This compromises the validity of the system of internal controls.

240. A diamond receipt is a document which should specify the exact location where the diamond was mined and describe its morphological features. Having viewed diamond receipt books in Ghana, however, the Group notes that receipts do not specify either mining locations or morphological features (see picture A in annex XV). This means that a diamond receipt does not fulfil its intended purpose.

241. In order to maintain an effective system of internal controls, there must be a paper trail to accompany diamonds from the mine, through various sales, to the point of export. Sales should be recorded in a purchase voucher, which is filled-in upon each sale. These vouchers should include the number of the original diamond receipt, in addition to the diamond mining location and morphological features. In Ghana, however, purchase vouchers do not have specific entry fields for this information. Because sellers and purchasers cannot include the information, the diamond voucher does not refer to the original diamond receipt. The paper trail is, therefore, broken at this point (see annex XV).

242. A broken paper trail means that a purchase voucher, which has to be submitted to obtain a KP certificate, does not contain the required information to trace a diamond back to the mine. There is, therefore, no way to verify that diamonds with Ghanaian KP certificates have not been illegally imported into Ghana and fraudulently registered as Ghanaian diamonds.

### 3. Summary

243. There are serious shortcomings in Ghana's system of internal diamond controls which must be quickly addressed. The presence of unregistered miners and the absence of a continuous paper trail from the mine to the point of export threaten Ghana's efforts to combat the illicit import of Ivorian diamonds.

## D. Liberia

244. With the help of the Government of Liberia, the Group uncovered illicit rough diamond trading networks in Liberia. These networks manipulate the Liberian diamond control system and the Kimberley Process to introduce large numbers of Ivorian rough diamonds into the Liberian diamond trading system. Ivorian diamonds are then presented as being of Liberian origin and exported with Liberian KP certificates.

245. Since 2007, nine countries have received diamonds bearing fraudulently obtained Liberian KP certificates: Belgium, China, the Czech Republic, India, Israel, Turkey, South Africa, the United Arab Emirates and the United States. The Group informed all States concerned about its findings and encouraged them to launch investigations.

### 1. Defrauding the Liberian system of internal controls

246. The Liberian system of internal controls is better structured than those of Ghana and Guinea. The system is capable of tracing diamonds from the exporter back to the miner who first recorded the diamond in the system.

247. Traceability in Liberia is based on a record of receipts. The first receipt is known as a mining voucher and is created when the miner reports a diamond. The voucher records the name of the miner, the name of the buyer, the date, the area which the diamonds were claimed to be from and, most importantly, the carat weight and description of the stones (see pictures in annex XVI).

248. A second receipt is issued when the miner sells diamonds to a broker/dealer. This is known as the broker/dealer receipt (see picture B in annex XVI) and records details of the sale. The broker/dealer receipt records the unique number printed on the mining voucher, in addition to the name of the miner, the name of the dealer/broker (buyer), the carat weight and a description of the stones.

249. This means that, in Liberia, there is a traceable link between the broker/dealer receipt and the mining voucher. From the broker/dealer receipt alone, which is required to obtain a KP certificate, Government Diamond Office officials can trace diamonds back to a particular mining voucher (see picture A in annex XVI). Despite this well-designed system of internal controls, however, Liberia continues to be the destination for illicitly imported Ivorian rough diamonds.

250. For example, the Group uncovered evidence that diamonds exported from Liberia, and registered as having originated from the Liberian Camp Alpha region, had morphological features that matched diamonds of Ivorian origin.

251. Ivorian diamonds have certain morphological features that differ from other diamonds mined in the West African region. They can easily be distinguished from diamonds that are produced at Camp Alpha by their distinctive shape, colour, size and clarity.

252. The Group also discovered other, similar anomalies regarding Liberia's diamond exports. It consulted experts in the field who are familiar with current Ivorian diamond production. They confirmed that some Liberian rough diamond exports share morphological similarities with Ivorian diamonds. This could indicate that illicit Ivorian diamonds have entered Liberia, which prompted the Group to investigate and attempt to trace the origins of Liberian exports.

### 2. Involvement of Liberian-based exporters in the Ivorian rough diamond trade

253. Investigations by previous Groups of Experts confirmed that Ivorian dealers who, used to operate outside of Côte d'Ivoire but not in Liberia, before Liberia joined the KPCS in 2007, now operate inside Liberia. These dealers have been linked to suspicious Liberian diamond shipments (see S/2009/521, paras. 321-328). The Group has compiled the following list of Liberian companies involved in exporting from Liberia diamonds that are morphologically similar to those of Ivorian origin.

254. In all cases, the Group's comprehensive review of these companies' trading histories and those of their shareholders, past convictions for diamond smuggling offences and links with diamond trading centres in Côte d'Ivoire, suggest that they

present a real risk to the embargo on Ivorian diamonds. The Group retains firm documentary evidence for the activities of the companies listed below.

**(a) Yuly Diam**

255. The shareholders of Yuly Diam are Moustapha Tounkara (50 per cent owner), Shlomo Freund (25 per cent) and Yori Freund (25 per cent).

256. Moustapha Tounkara was one of the main suppliers of Ivorian diamonds to Peter Van Wassenhove of Peri Diamonds in Ghana (see S/2009/521, para. 295). Mr. Tounkara lived in Côte d'Ivoire for five years during the Liberian conflict.

257. Both Shlomo Freund and Yori Freund were involved in attempts to smuggle rough diamonds from Mali to Israel in 2007 (see S/2008/598, paras. 153-161). Yori Freund, in particular, was arrested by the Malian authorities in 2004 for attempting to smuggle 3,216 carats of rough diamonds on a flight from Bamako to Tel Aviv via Paris.

**(b) ADMT Company**

258. ADMT Company has been a registered diamond dealer since October 2007. The company's owners and directors are Amadou Tounkara (a relative of Moustapha Tounkara of Yuly Diam), Yves Trau (also the 100 per cent owner of BCB International in Ghana), J. J. Amara Bangalee and Amadou Kebbey. In September 2009, two new partners joined the company: Jitu(bhai) Vallabh(bhai) Patel and Brijesh Tulsi(bhai) Patel.

**(c) Balaji Gems**

259. Balaji Gems is Indian-owned. It was established in September 2007 in Liberia by Akoliya Visaram (bhai) Naran (bhai). The company's directors included Ali Youssef Aydibi and Patel Mafateal. Balaji Gems shipments were flagged in the past by Groups of Experts on Côte d'Ivoire and the Panel of Experts on Liberia.

260. In 2007, Balaji Gems exported two rough diamond shipments from an unknown source. The KP Chair confirmed that the two shipments could have been infiltrated with diamonds of Ivorian origin. The Group received another confirmation in 2010 from buyers in Séguéla that the diamonds in question appear to be of Ivorian origin. All three shipments were exported to BCG International in the United Arab Emirates.

**(d) Comptoir de Diamant du Libéria Inc./SAJ Minerals**

261. The company is registered as French, Ivorian and British. The shareholders are Damien Gael Lacroix, Souleymane Diallo (Cocody, Abidjan, Côte d'Ivoire), Garbla Vincent Williams (Monrovia, Liberia), Hansan A. Bass (Monrovia, Liberia) and Mohammed Dioulde Bah (Monrovia, Liberia).

262. It is worth noting that there are two addresses for Damien Lacroix. The first appears to be fake: "Tunbridge Wells, Grosvenor Park, Grosvenor House, England". The second address is simply listed as "Bordeaux, France".

263. In April 2009, two other directors joined the company: Bhavya Shah and Nitichandra Shah. In August 2009, the directors approved a joint venture between

Comptoir de Diamant du Libéria and SAJ Minerals. Thereafter, Comptoir de Diamant du Libéria was known as SAJ Minerals.

264. SAJ Minerals was registered in October 2009 as a buyer, seller and exporter of minerals in Liberia. The company shareholders have since changed, except for Souleymane Diallo (of Cocody, Abidjan) who re-registered in SAJ Minerals as Suleyman Asisigan (Monrovia). The other new shareholders are: Steve Davis (Monrovia) and Joseph Cotty (Monrovia). The Group also received confirmation that Souleymane Diallo (also known as Suleyman Asisigan) continues to be the primary buyer of Ivorian rough diamonds.

265. Both entities, Comptoir de Diamant du Libéria and SAJ Minerals, exported diamonds from Liberia that appear to be of Ivorian origin.

**(e) Star Diamond Co.**

266. Star Diamond Co. was formed in September 2009 as a Liberian, Malian and Gambian entity in Monrovia. The company's shareholders are Mahamadou Sohana (Monrovia), Siaka Coulibaly (Mali) and Lassana Touiay (Mali).

267. Siaka Coulibaly is believed to be the main buyer of Ivorian diamonds (see S/2007/611, paras. 65-67), a position which he has retained since before the 2002 conflict in Côte d'Ivoire. Sekou Tortiya and the other rough diamond buyers in Séguéla are all believed to be middlemen working for Siaka Coulibaly.

268. Until April 2010, Star Diamonds did not export any diamonds from Liberia. However, the activities of the company should be closely monitored because of Mr. Coulibaly's strong connections in the town of Séguéla, Côte d'Ivoire.

**(f) Place Vendôme Diamond Inc.**

269. Place Vendôme Diamond acquired its diamond dealer licence in August 2007. The company is registered as a French, Ivorian and Liberian entity in Monrovia. The shareholders of the company are: Bertrand Vallois (Paris), Francis William Baral (Paris), Moustapha Kaba (Abidjan) and Fodee Kromah (Monrovia).

270. The company has offices in Abidjan, Monrovia and Paris. Moustapha Kaba of Côte d'Ivoire is the official incorporator of the company. The company traded in diamonds for one year, during which it exported diamonds to one individual in the United States.

271. The diamonds exported by Place Vendôme Diamond Inc. were morphologically similar to those of Ivorian origin. Ivorian buyers identified the company's rough diamond exports as being of Ivorian origin.

**(g) Texas International Group, Inc.**

272. The Texas International Group, Inc. obtained its diamond dealer licence in February 2009. The company was incorporated by Jerome Walker. The members of the Board of Directors are Raul Ibatullin and Farage Youssef. In April 2009, the company requested identity cards for Wissam Assaily, Konstantin Proshkin, Abraham Conteh, Raul Ibatullin and Amer Youssef.

273. Since its establishment, all the company's exports have been sent to C. M. R. Diamonds in Belgium. All the shipments are suspected of containing diamonds of Ivorian origin.

#### (h) Royal Company

274. The Royal Company obtained its diamond dealer licence in September 2007. The company is incorporated as a Liberian and Lebanese entity in Monrovia. The company's directors and shareholders are Atef Adibie and Morris Alex.

275. Until September 2008, the Royal Company's exports were to two entities in Dubai, United Arab Emirates. In May 2009, the company began exporting to Sun and Moon Gems in Antwerp, Belgium.

### 3. Summary

276. In the light of the above findings, the Group strongly encourages the Government of Liberia to conduct an investigation into the activities of the companies listed in paragraphs 255 to 275 above and to hold any parties found responsible for violations of the embargo on Ivorian diamonds accountable.

277. The Group also recommends that the Liberian authorities rectify the weaknesses in Liberia's system of internal controls immediately by footprinting (and fingerprinting) Liberia's diamond production and applying origin control measures at the point of export.

## E. Guinea

278. The Ministry of Mines in Guinea was cooperative and transparent during the Group's investigations in the country. In February 2010, the Guinean authorities confirmed to the Group that they did not currently have the means or infrastructure to monitor Guinea's borders with Côte d'Ivoire or to police diamond-mining areas. Guinea lacks the resources to detect and prevent the inflow of Ivorian diamonds into its diamond trading system and to prevent their certification with Guinean KP certificates.

### 1. Administrative decision of the Kimberley Process on Guinea, November 2009

279. In the period 2007-2008, Guinea's rough diamond exports increased by 200 per cent, although no new diamond deposits had been reported. In response to Guinea's shortcomings, KP adopted an administrative decision in November 2009 calling on the Guinean authorities to relaunch a system of internal controls by 1 June 2010, among other measures. However, as the following paragraphs indicate, Guinea faces challenges in implementing its reportedly revised system of internal controls.

### 2. Inflow of Ivorian diamonds into Guinea

280. In accordance with the November 2009 KP administrative decision, the Guinean authorities are to stop any exports of rough diamonds of a suspicious origin. However, there are a number of factors which prevent the Guinean authorities from enforcing that provision.

281. First, the absence of a Guinean rough diamond footprint prevents the Guinean authorities from segregating suspicious shipments from non-suspicious shipments. This is particularly challenging since there are reports of new diamond fields being discovered near the country's borders with Liberia and Côte d'Ivoire.

282. Second, the Guinean authorities do not have the necessary technical expertise to differentiate Ivorian diamonds from Guinean diamonds. The Guinean authorities do not conduct an origin check at the point of export to identify suspicious diamonds.

283. Third, the absence of a system of internal control, or a paper trail that can be used to trace diamonds from the exporter back to the mine, prevents the Guinean authorities from identifying suspicious shipments (see annex XVI).

284. As a result, Guinea's rough diamond sector is highly susceptible to the illicit inflow of rough diamonds from Côte d'Ivoire. These diamonds are then fraudulently presented to the Guinean authorities as being diamonds of Guinean origin.

### 3. Indications of Ivorian rough diamond exports from Guinea

285. The Group gained access to some Guinean KP certificates and pictures of the diamonds exported with them. According to the Guinean authorities, new diamond-mining zones were reported in Guinea in the period 2008-2009. Some of these areas are close to the Guinean borders with Côte d'Ivoire and Liberia. However, a footprint has not yet been established for the newly reported diamond fields.

286. After analysing data obtained from the Guinean authorities, the Group confirmed that a number of rough diamonds exported from Guinea appear to resemble Ivorian diamonds morphologically. In contrast to Liberia, the Group was unable to trace the "Guinean" diamonds to their mine of origin owing to the absence of a system of internal controls. Furthermore, the absence of a Guinean footprint limits the Group's ability to confirm whether the suspicious Guinean exports include diamonds of Ivorian origin.

287. Nevertheless, the Group was able to identify several exporters in Guinea that are either under international investigation for exporting diamonds of Ivorian origin to neighbouring countries, or whose managers have been convicted as a result of previous conflict diamond cases.

#### (a) Rufex

288. Rufex is a rough diamond exporter in Guinea which is also suspected of trading in Ivorian diamonds in Liberia. Rufex's rough diamond exports to a company named Rafexi Ltd. in Israel were morphologically similar to diamonds of Ivorian origin. The diamonds were also similar to the suspicious exports that were made by Yuly Diam and ADMT in Liberia to Rafexi Ltd. in Israel.

#### (b) Sigma Diamond

289. Sigma Diamond is a rough diamond exporter in Guinea. Sabeh Shallop, a Lebanese national, represents the company in Guinea.

290. In 2010, Emmanuel Shallop, of Shallop Diamonds, was found guilty in the Belgian Court of Appeal for facilitating the trade in conflict diamonds for Revolutionary United Front (RUF) leaders in Sierra Leone. Mr. Shallop used an

entity in Liberia to export Sierra Leonean diamonds for RUF leaders (see S/2001/1015, para. 372). Mr. Sabeh Shallop, the current representative of Sigma Diamond in Guinea, was also charged in the Belgian "Shallop" diamond case.

291. There is no evidence that Sigma Diamond is trading in conflict diamonds. However, owing to the company's previous involvement in the trade in conflict diamonds, close oversight of it by the Guinean authorities is required.

292. The absence of oversight by the Guinean Ministry of Mines of diamond-trading entities and individuals involved in previous conflicts limits the Government's efforts to combat the illicit rough diamond trade.

### 4. Summary

293. Serious shortfalls limit the effectiveness of KPCS in Guinea, impairing its ability to combat the inflow of diamonds of Ivorian origin. The Government of Guinea has recognized this and appears willing to rectify the situation. Until that time, the country will remain prone to Ivorian rough diamond infiltration.

## F. Mali

294. Mali continues to be an outlet for Ivorian rough diamonds. Malian traders were the main buyers of Ivorian rough diamonds prior to the conflict. Siaka Coulibaly (see S/2006/735, paras. 141-144) of Mali was the major buyer of Ivorian rough diamonds. After the conflict Mr. Coulibaly moved to Mali where he continued to trade in various natural resources from Séguéla. Recently, he established a company in Liberia, Star Diamond Co., that obtained a licence to export rough diamonds (see paras. 266-268 above).

295. Groups of Experts have uncovered a number of cases in which Ivorian diamonds have been exported to international destinations through Mali (see S/2008/598, paras. 140-166). Unlike buyers of Ivorian diamonds in Liberia, Guinea and Ghana, however, Malian buyers deal only in Séguéla stones. These stones are either large in size (and carat weight) or are of high quality. The following two cases provide examples of Mali's role in the rough diamond trade.

### 1. Czech Republic case

296. In 2008, the Czech authorities confiscated two rough diamonds from individuals whose route had involved travel between Senegal, Mali, northern Côte d'Ivoire and Burkina Faso. The Czech authorities detained the stones because of suspicions that they were of Ivorian origin. Having examined the rough diamonds, they found them to be similar in morphological features to those of Ivorian origin. The Czech authorities fined the two individuals and confiscated the diamonds.

### 2. Israel-Mali case

297. In 2007, Michael Meshyev of AIMD, a diamond dealer, entered Israel with a rough diamond from Mali. The diamond weighed 14.32 carats and was valued at approximately US$ 71,600 (see annex XVII). Since Mali is not a member of KPCS, and the shipment was not in compliance with KPCS, the diamond was detained by the Israeli customs authorities.

298. The Group requested detailed information on the diamond to determine its mine of origin. Based on this information, and after consulting with KP WGDE, the Group received confirmation that the diamond appeared to be of Ivorian origin. The diamond is of a type typical of the Séguéla region in Côte d'Ivoire.

## G. International enforcement of the embargo on Ivorian rough diamond imports

299. Member States vary in their enforcement of the United Nations sanctions relating to Ivorian rough diamonds. Non-KPCS States do not comply with the sanctions regime and KPCS participants diverge in their enforcement of the sanctions. Some KP participants barely meet the KPCS minimum requirements and KPCS is being misused by illicit traders to facilitate the illicit trade in Ivorian diamonds.

300. Other KP participants are much more committed to the enforcement of the United Nations sanctions in relation to Ivorian rough diamonds and have taken steps to monitor the rough diamond trade and prosecute violators of the sanctions.

301. The Group identified nine Member States that had imported rough diamonds which appear to be of Ivorian origin. The following section will focus on the KP participants that received the majority of those shipments.

### 1. Belgium

302. Belgium is one of the main destinations for diamonds worldwide. It has extensive legislation designed to enable the authorities to monitor and control the diamond trade. To enforce that legislation, the Belgian authorities have created a joint task force to monitor and control the diamond sector, which includes the Federal Public Service Economy (Licence Service) and the Federal Public Service Finance (Customs). The Belgian Federal Police is the law enforcement agency that interacts closely with the task force and with the Antwerp World Diamond Centre.

303. Since the launch of KPCS, the Belgian authorities have made several arrests in relation to the trade in conflict diamonds. Some of these major cases involve: Shallop Diamonds, which facilitated the rough diamond trade for RUF through Liberia; Limo Diamonds, involved in the illegal trade in conflict diamonds from Angola to Antwerp via Zambia; and Peri Diamonds, which illegally traded in diamonds of Ivorian origin through Ghana.

304. Although a large percentage of rough diamonds find their way to Belgium, the threat to the sanctions regime is diminished because the Belgian authorities have an active law enforcement agency that closely monitors and controls suspicious cases (see S/2009/521, paras. 304-306).

### 2. Israel

305. Israel is one of the main destinations for rough diamonds from the African continent. The diamond industry in Ramat Gan plays an important role in the global diamond industry and Israel is one of the main centres for diamond trading in the world.

306. In 2007, the Israeli Diamond Controller ordered the detention of rough diamonds from Mali, which were later verified to be of Ivorian origin.

307. Israel is likely to be one of the main destinations for illicit Ivorian rough diamonds shipped from Liberia. The illicit trading network falsified Liberian mining documents in order to obtain a KP certificate and export the stones to Israel. The Group alerted the Israeli authorities to this problem on 28 July 2010. Israel has yet to finalize its investigations.

308. Israel has a very active KP administration office but, not unlike most KP member States, Israel allows KP certified stones entry without question, regardless of origin.

### 3. United Arab Emirates

309. The United Arab Emirates (UAE) is the third main destination for rough diamond shipments from Liberia. Suspicious shipments into UAE have been destined for four companies: BGC International, Dubai Multi Commodities Centre (DMCC), Atom DMCC, Asu Gems and Ajiy Jewellery.

310. The UAE authorities delegate administration of the Kimberley Process, which includes the issuance and processing of KP certificates. This activity is under the control of DMCC.

311. The United Arab Emirates enforcement by KPCS is limited to paper administration of KP certificates and does not include monitoring the rough diamond trade. There is not a designated authority to monitor and control the diamond sector. This leaves UAE susceptible to the inflow of Ivorian rough diamonds, because it allows KP certified stones entry without question, regardless of origin.

312. This constitutes a serious threat to the effectiveness of the embargo on Ivorian rough diamonds, since a large number of shipments are sent to UAE.

### 4. Other international trading centres

313. Suspicious Ivorian rough diamond shipments from Liberia and Guinea have found their way to a number of Member States, including China, the Czech Republic, India, South Africa, Switzerland, Turkey and the United States. All the States listed are participants in KPCS.

314. China, India and the United States have an established KP administration office and engage law enforcement officials in the monitoring of the diamond industry. As mentioned above, the Czech Republic detained a suspicious shipment of rough diamonds in 2008. Switzerland and Turkey have also been attentive to providing information about suspicious packages. The Group has not, so far, obtained information about the status of law enforcement efforts in South Africa.

### 5. Summary

315. All Kimberley Process participant States establish an authority to administer and process Kimberley Process certificates. However, few participants have integrated law enforcement agencies into their KP monitoring. This has led KPCS to become a system that administers documents, rather than a system that questions how effective those documents are at preventing the trade in conflict diamonds.

316. The fact that law enforcement agencies have not been integrated into national KP administration systems leaves KPCS susceptible of being misused by illicit networks that have mastered the art of producing fallacious documents, hence facilitating violations of the sanctions regime in Côte d'Ivoire.

# IX. Aviation

317. This section presents findings from the Group's investigations into the operational capacity of the Ivorian Air Force (Forces aériennes de Côte d'Ivoire). It highlights several events that are a cause for concern; in particular, the rehabilitation of the Ivorian Air Force's one remaining Mi-24 helicopter gunship, which has necessitated several violations of the embargo.

318. The Group has also continued its investigations into air traffic that might be used to convey goods in breach of the sanctions regime. In this, the Group benefited from regular contact with air traffic control (Agence pour la sécurité de la navigation aérienne en Afrique et à Madagascar (ASECNA)) and with the cargo-handling agency (Régie administrative d'assistance en escale).

319. The Group also worked in collaboration with the UNOCI Embargo Quick Reaction Task Force to monitor domestic and international flights and to verify documents accompanying goods unloaded at Abidjan airport.

320. During the course of its mandate, the Group visited the majority of Côte d'Ivoire's airfields (small airports with limited infrastructure) as part of its regular monitoring of the country's aircraft landing facilities.

## A. Verification of the air fleet capacity

321. This section presents findings from the Group's investigations into the operational capacity of the Ivorian Air Force and, notably, the role of foreign technical assistance in rehabilitating military air assets.

### 1. Mi-24 helicopter, registration TU-VHO

322. The Mi-24 has been rehabilitated with foreign technical assistance, in breach of the embargo on arms and related materiel. The aircraft can now fly (see paras. 337-341 below).

### 2. Antonov 12, registration TU-VMA

323. The Antonov 12, registration TU-VMA, remains stationed at the same location and in the same condition as reported in the Group's midterm report (see S/2010/179, para. 84). It has not been repaired or moved.

### 3. IAR-330 helicopter, registration TU-VHM

324. The Air Force-operated IAR-330 helicopter, registration TU-VHM, had not flown since 14 October 2008. According to the Ivorian Air Force, this is because the embargo has prevented the import of spare parts necessary for its repair (see S/2009/188, para. 30).

325. On 19 March 2010, however, the Group noted that the helicopter was undergoing repair. Extensive splashes of oil from the aircraft suggested the engine had been tested and the Group later viewed technicians working to remove the engine with a hoist. The UNOCI Togolese battalion, stationed adjacent to the airbase, confirmed further engine tests on 16 and 19 July 2010.

326. On 21 June 2010, the Group learned that the aircraft had performed a stationary flight of approximately 20 minutes' duration. The aircraft was later confirmed to be in flying condition when, on 3 August, a civilian aircraft crashed close to Attinguié, near Abidjan, and the Ivorian Air Force sent the helicopter in response. On 11 August, between 3 p.m. and 4.45 p.m., the helicopter performed a second flight, to an unknown destination. The helicopter is, therefore, operational.

327. Given that the helicopter had last flown on 14 October 2008, it would have required spare parts and competent technicians to restore it to flying condition. The Ivorian Air Force clearly has competent technicians capable of servicing the helicopter, but has stated that the embargo prevents the import of spare parts (see S/2009/188, para. 30).

328. Two helicopters of the same model (registrations TU-VAZ and TU-VHP) are out of service but remain stationed at the airbase. They may have provided some of the spare parts used to repair the IAR-330 helicopter, registration TU-VHM. Information gathered by the Group indicates that the spare parts used for the repair may also belong to a stock that pre-dates the November 2004 embargo, but this has not been confirmed. While the Group could not find any evidence that the Ivorian Air Force had imported spare parts for the aircraft's rehabilitation, it cannot exclude the possibility that spare parts have entered the country.

### 4. Aerostar unmanned aerial vehicle in Yamoussoukro

329. On 16 March 2010, a source informed the Group that the Air Force's one unmanned aerial vehicle (UAV) had been removed from its site next to Yamoussoukro airport. The Group had last inspected the UAV on 28 January 2010, but was thereafter denied access to the UAV site. Given the lack of access, the Group was unable to confirm whether the UAV had been moved to another facility. After scheduling an inspection in conjunction with UNOCI, the Group was finally granted access on 10 June 2010, three months after reported disappearance of the UAV.

330. During its inspection in June 2010, the Group viewed the UAV and its command room. It found that all items remained in place since the Group's last inspection in 28 January 2010 (see image below).

**UAV and command room, Yamoussoukro 10 June 2010**

*Source*: Group of Experts on Côte d'Ivoire.

331. At the end of the Group's inspection, the Air Force commander in charge of the site declared that he had never refused any inspection and that there had probably been miscommunication between UNOCI personnel and officers under his command. He also reaffirmed his commitment to facilitating future inspections.

332. Since June 2010, the Group has continued to monitor the site in Yamoussoukro, but has not detected any suspicious activity.

### 5. Helicopters of the Ivorian presidential fleet

333. Since 2008, the German company Helog AG has leased IAR-330 helicopters to the Ivorian authorities for the purposes of transporting dignitaries and other functional duties. These aircraft are stationed at Abidjan Airbase. Three Helog AG IAR-330 helicopters, with the registrations D-HAXE, D-AXK and ST-AXU are currently operating.

334. During the course of its mandate, the Group found no evidence to suggest that the aircraft had been used for purposes other than civilian duties.

### 6. Aircraft of the presidential fleet

335. The Gulfstream III aircraft, registration TU-VAF, returned to Côte d'Ivoire on 11 June 2010 after having been repaired abroad. The Gulfstream IV, registration TU-VAD, is also fully operational. The third aircraft of the Presidential fleet, a Fokker 100, registration TU-VAA, has not been operational since being struck by a projectile during an attack in 2007 (see S/2010/179, para. 97).

## B. Violations of the embargo related to the Mi-24 helicopter

336. As noted above, the Mi-24 has been rehabilitated with foreign technical assistance, in breach of the embargo on arms and related materiel.

### 1. Rehabilitation of the Mi-24 helicopter

337. On 22 February 2005 and 21 February 2006, UNOCI authorized the Ivorian Air Force to carry out monthly maintenance tests on the Mi-24 helicopter gunship,

registration TU-VHO (see S/2006/735, para. 65). Those tests ceased on 26 October 2006.

338. On 10 March 2010, however, the FDS-CI Chief of Staff sent letters to UNOCI and Force Licorne stating that it would resume maintenance flights in accordance with the 2005 and 2006 authorizations of UNOCI.

339. On 30 March 2010, the Ivorian Air Force conducted ground engine tests. Monthly maintenance tests have since taken place on the last Wednesday of every month (with the exception of August) in the presence of UNOCI and Force Licorne. Although the Group was not present at the first test, it has witnessed all subsequent tests, including the one on 28 April 2010 during which the Coordinator of the Group was expelled from the airbase on the grounds of not having been invited (despite the continued presence of UNOCI and Force Licorne during the test).

340. Initially planned for 25 August 2010, the last tests observed by the Group were conducted on 1 September 2010. On that occasion, the aircraft performed a stationary flight (see image below), involving two 90-degree turns, before landing. Specialized Force Licorne officers present confirmed that the repairs on the aircraft had been successful, which confirmed observations made by the Group during the various tests. During the last test, the Group also noted that the aircraft had been repainted.

**Mi-24 in stationary flight, Abidjan, 1 September 2010**

*Source*: Group of Experts on Côte d'Ivoire.

341. The Chief of Staff of the Ivorian Air Force repeatedly informed the Group of Experts, UNOCI and Force Licorne that the tests were only intended to maintain the aircraft's condition. However, although the aircraft has yet to be tested fully, it is fit to fly. In case of need, the military authorities could decide to use the aircraft, as has been the case for the IAR-330, registration TU-VHM, which the Ivorian Air Force recently mobilized for a search and rescue operation on 3 August 2010 (see paragraph 326 above).

### 2. Embargo violations: foreign military training

342. The aircraft's crew currently consist of three Ivorian pilots: two colonels and a young lieutenant. According to information gathered from Ivorian military officials, the Ivorian Air Force has the necessary technicians and pilots to maintain and fly the Mi-24. The two colonels are former pilots and the lieutenant, according to military officials, has recently followed a two-year pilot's training course.

343. Given the statements by the Ivorian military officers and the fact that Côte d'Ivoire does not have Mi-24 training infrastructure, the Group strongly believes that this training has been provided in another country, in violation of the sanctions regime. Because it was unable to determine where this training took place, the Group addressed letters to a number of Member States with links to Côte d'Ivoire's military, but has yet to receive answers.

### 3. Embargo violations: imports of spare parts

344. Given that the Mi-24 last flew on 26 October 2006, spare parts have certainly been necessary for its rehabilitation. Some of those parts may have been cannibalized from the two damaged and unserviceable Mi-24 helicopters, registrations TU-VHQ and TU-VHR, which are parked in the same hangar.

345. Nevertheless, cannibalization of unserviceable Mi-24 helicopters would only provide durable parts. A complete rehabilitation would necessitate the acquisition of perishable items. The Group firmly believes, therefore, that the Ivorian Air Force has imported spare parts in breach of the embargo.

### 4. Embargo violations: foreign military technicians

346. Since March 2010, the Ivorian Air Force has attempted to hide activity around the Mi-24 helicopter. The Group believes it has done so in order to conceal the identities of at least two foreign technicians who have been working to rehabilitate the aircraft.

347. On 19 March 2010, the Group visited Abidjan airbase and witnessed two foreign technicians repairing the Mi-24 helicopter. On 15 April 2010, the Ivorian authorities refused access to one of the regular UNOCI Embargo Quick Reaction Task Force patrols and announced that the Task Force could no longer conduct patrols at the Abidjan airbase without authorization.

348. On 20 April 2010, the UNOCI Togolese battalion informed the Group that two mechanics, one of whom was white, had been working on the landing gear of the Mi-24 helicopter. Other sources at the Abidjan airbase confirmed this information.

349. Further, on 22 April 2010, the Togolese battalion again reported repairs being made to the Mi-24. The Mi-24's air intakes were reportedly open and the turbines had been removed. A foreign technician was reportedly directing the repairs.

350. On 18 May 2010, a week before the third test of the Mi-24, the Group learned that three technicians of foreign origin had been working on the Mi-24. Again, on 19 May 2010, several reports confirmed that the aircraft's tail rotor had been removed and that a white technician had worked on it.

351. Finally, on 9 June 2010, sources at the Abidjan airbase alerted the Group to further repairs to the Mi-24 by foreign technicians. The Group then informed the

Ivorian authorities of its intention to carry out an unannounced inspection of the site. The Ivorian authorities denied entry to the site, claiming that the President of the Republic was present at the adjacent international airport. No further sightings of the foreign technicians have been reported to the Group.

352. All of the events listed above confirm that foreign technicians have rehabilitated the Mi-24, in violation of paragraph 7 of resolution 1572 (2004). The Group has attempted to establish the names and nationalities of the technicians, but has been unable to do so.

353. In this connection, on 16 March and 29 March 2010, the Group sent letters to the Permanent Missions of Belarus and Ukraine, respectively, enquiring whether they could provide information. The two countries had previously been linked to the presence of foreign military aircraft technicians in Côte d'Ivoire (see S/2006/735, paras. 4, 61-62 and 71-72). Both missions informed the Group that they had no knowledge of any current foreign military assistance provided to Côte d'Ivoire.

354. From 15 April 2010 onwards, the Group was unable to access the Mi-24 hangar or inspect the progress of repairs. The foreign technicians have not been sighted since 9 April 2010 and, since 27 July 2010, the sliding doors of the hangar, which are usually open, have remained closed.

### 5. UNOCI authorization for Mi-24 test flights

355. Following the announcement on 10 March 2010 that the Air Force would recommence Mi-24 flight tests, UNOCI responded to the FDS-CI Chief of Staff, pointing out that:

(a) The UNOCI authorization of 21 February 2006 to conduct test flights no longer remained valid;

(b) Any new authorization to conduct tests on the Mi-24 necessitated a formal request for exemption to the Security Council Sanctions Committee.

356. The Group notes that the response of UNOCI is either unclear or incorrect on two counts. First, the response reads "necessitates a formal request for exemption". It is unclear what is supposed to be "exempted". The embargo is not mentioned and, as the case concerns a test flight, which is not under embargo, the language is confusing. Second, under the terms of the Sanctions Committee's procedures, Côte d'Ivoire cannot, itself, request an exemption from the embargo (see annex IX) even if the case did involve the import of embargoed goods.

357. The Group does not, therefore, have confidence that the UNOCI communications to FDS-CI in this regard will deter further test flights of the Mi-24. The Group recommends that the Security Council demand the cessation of any further flights of the Mi-24 helicopter, including test flights.

### 6. Summary

358. The Mi-24 helicopter gunship is now operational. Its rehabilitation succeeded because of the availability of (probably imported) spare parts, the overseas training of Ivorian pilots and foreign technical assistance. The Group concludes that violations of the embargo have resulted in the Government of Côte d'Ivoire gaining a significant military asset that would, otherwise, have remained unserviceable.

## C. Verification of air transport documents

359. The Group continued its analysis of air cargo unloaded at Abidjan airport, using statistics provided by the Ivorian air traffic control agency, ASECNA, and in collaboration with the UNOCI Embargo Quick Reaction Task Force.

360. As noted in the final report of the previous Group of Experts, Abidjan airport's cargo-handling agency, the Régie administrative d'assistance en escale, does not handle cargo offloaded from "special" (unscheduled) flights. Flights carrying political leaders, in addition to freight carried aboard aircraft of the presidential fleet, remain unmonitored by the cargo-handling agency and generally escape the attention of the Ivorian customs and the Embargo Quick Reaction Task Force.

361. On 27 June 2010, for example, the Gulfstream IV, registration TU-VAD of the presidential fleet made several within-country flights. After each landing in Abidjan, the aircraft taxied to the military airbase where, surrounded by military personnel, its cargo was offloaded directly onto a truck (see image below). Sources at the airbase informed the Group that the cargo consisted of various items, including examination papers and electoral material. The Group has not been able to verify this.

**Unloading of the presidential Gulfstream IV in Abidjan, 27 June 2010**

*Source*: UNOCI Embargo Quick Reaction Task Force.

362. Flights such as that of the Presidential Gulfstream IV pictured above pose a problem because they are reportedly "domestic flights", but the Group currently has no means to verify their origins. ASECNA officials informed the Group, on 14 May 2010, that ASECNA is not entitled to provide information on domestic flights within Côte d'Ivoire. This responsibility, the officials explained, rests with the National Civil Aviation Authority (Autorité nationale de l'aviation civile (ANAC)). To land at an airfield in Côte d'Ivoire, unscheduled ("special") flights from abroad require permission from ANAC to overfly Ivorian territory.

363. Following its meeting with officials of ASECNA on 21 May 2010, the Group sent a letter to the Director General of ANAC requesting a list of such flights since January 2010, including overflight and landing authorizations. The Group has not received a response to its letter.

364. On 2 September 2010, the Group arranged a meeting between ASECNA and EQRTF. The representative of ASECNA informed the Group that he would meet the Director General of ANAC and request that a focal point be assigned to facilitate communications between the Group or EQRTF and ANAC. ANAC appointed a focal point on 8 September 2010.

## D. Airfields and airstrips

365. During the first part of its mandate, the Group visited most of the airfields in the south of Côte d'Ivoire (see S/2010/179, para. 100). During the second part of its mandate, the Group focused its attention on the north of the country and visited a number of airfields to assess their state of repair and the nature of air traffic using them.

### 1. Airfields and airstrips visited

366. One airstrip visited by the Group is situated at Tongon, around 65 km north of Korhogo; it was constructed by the Randgold mining company. According to the manager, with whom the Group held a meeting on 28 April 2010, the runway is intended solely for the needs of the company and receives only domestic flights. The airstrip measures 2,400 metres in length and 40 metres in width. It is equipped with lights and can receive night flights.

367. From 21 to 24 July 2010, the Group also conducted visits to airfields in the east of Côte d'Ivoire, along the border with Ghana, and in the north-east, along the border with Burkina Faso. During that mission, it visited an airstrip and two airfields, including Bondoukou, which is located near the border with Ghana. Bondoukou is under constant supervision by the Ghanaian battalion of UNOCI.

368. Security personnel at the Bondoukou airfield informed the Group that an unknown aircraft had landed on an unrecorded date. According to witnesses, the aircraft (which has not been identified) landed, immediately took off again and made two "touch and go" passes of the runway, in which its wheels touched the ground momentarily, before leaving the area. The Group is currently checking with UNOCI security to identify the date of the incident and obtain other relevant information.

### 2. Monitoring of airfields and airstrips by UNOCI

369. UNOCI personnel are present at most airports when United Nations or Force Licorne flights are expected. When UNOCI personnel are not present, however, there is no police or customs presence and, as the Group indicated in its midterm report (see S/2010/179, para. 102), suspicious flights remain unrecorded.

370. The Embargo Quick Reaction Task Force is designed to fill this monitoring gap. Apart from the daily patrols at Abidjan Airport and the port of Abidjan, however, it cannot regularly monitor other points of entry into the country, including ports, airports and land borders. The Task Force has neither the mandate, nor the necessary staff and equipment to do so.

371. In its midterm report (see S/2010/179, para. 103), the Group noted that the UNOCI embargo cell was working to develop a system that would allow UNOCI staff to monitor airfields and airstrips. The project was entrusted to the Embargo

Cell's only customs consultant, whose contract was terminated in late March 2010. The project was revived on 7 July 2010 following the delayed posting of a new customs consultant (see paras. 411-416 of the Customs section below). The Group maintains that with the current levels of personnel and equipment at its disposal, the Embargo Cell will have difficulty implementing this project or, indeed, others.

# X. Customs

372. During the course of its mandate, the Group of Experts focused its customs investigations on weaknesses in the Ivorian customs system and import controls, which might allow for the entry or exit of embargoed goods.

373. The Group examined customs controls on road transport along the main trade axis, from the port of Abidjan, through the north of Côte d'Ivoire, to the neighbouring countries of Burkina Faso and Mali. It also investigated road transport in the opposite direction: from northern neighbouring countries to the south of Côte d'Ivoire.

374. The Group also conducted investigations into the Transit interarmées, the customs agency of the Ministry of Defence, in order to verify respect for the sanctions regime. Similarly, the Group conducted investigations into imports of vehicles for military use.

## A. Role of customs in Côte d'Ivoire

375. The role of customs is not limited to the taxation of merchandise. Customs is one of the best means of controlling transport, the weight of transported goods, the conformity of documents to goods, the categorization of goods and the value of goods in relation to applicable customs duties. In this regard, customs services are obliged to record all available information pertaining to a particular consignment of goods.

376. Under normal conditions, customs officials control all of a country's international transport, including goods for export, import and in transit. International consignment notes[27] repeat information found on customs declarations. By controlling these documents, customs officials have an important role to play in identifying the transport of fraudulent, illicit or prohibited commodities within Côte d'Ivoire and not just at the country's borders.

377. In Côte d'Ivoire, neither Government customs nor the Forces nouvelles compare transported merchandise with items listed on accompanying consignment notes. This permits all kinds of trafficking in commodities. Previous Groups of Experts have indicated in their reports that the absence of customs in the north and weak customs controls in the south are one of the most important contributing factors to the uncontrolled exploitation of natural resources in Côte d'Ivoire (see S/2008/598, paras. 28-32; S/2009/521, paras. 447-450; and S/2010/179, paras. 114 and 118-119).

[27] Generally established within the framework of the Convention on the Contract for the International Carriage of Goods by Road.

378. Moreover, the lack of customs control in Côte d'Ivoire has an impact on the subregion, because it leads to impaired enforcement of international customs rules, such as those of the West African Economic and Monetary Union (UEMOA) and the Economic Community of West African States (ECOWAS). The Group believes that this has an impact on regional security by facilitating the uncontrolled transport of destabilizing goods such as weapons or related materiel.

379. The Group believes that ineffective customs control contributes to the continued crisis in Côte d'Ivoire, which sustains demand for weapons and concurrently facilitates their acquisition.

## B. Trade and transit into northern Côte d'Ivoire

380. The lack of customs in the north of Côte d'Ivoire means that there are no official controls on commodities entering from Burkina Faso and Mali. On their side, neighbouring countries also have weak customs controls on trade and transit entering Côte d'Ivoire. As the following sections indicate, the lack of control by these countries presents a serious risk to the sanctions regime.

### 1. Lack of customs deployment in northern Côte d'Ivoire

381. The redeployment of Government customs administration to the north of Côte d'Ivoire should have been completed by the end of August 2010.[28] This has not happened. Although an initial 13 officers had been deployed to Ouangolodougou, near the border with Burkina Faso, in 2008, those personnel were forced to return to the south of Côte d'Ivoire, because the Forces nouvelles prevented them from exercising their duties.

382. The Forces nouvelles, for their part, should have deployed 250 "customs agents", who were drawn from the Forces nouvelles rank and file and "retrained" during a period of three days. As of September 2010, those agents were operational but, unsurprisingly, entirely ineffective as customs agents.

383. As the examples cited above indicate, neither the Government nor the Forces nouvelles have been able to agree on implementing effective customs that might be capable of controlling the entry or exit of contraband and embargoed goods.

### 2. Customs control by neighbouring States

384. There is no official Forces nouvelles register for commodities entering northern Côte d'Ivoire from Burkina Faso and Mali. The Forces nouvelles do not exchange information with the Government customs authorities in the south or with neighbouring countries. Commodity transports to northern Côte d'Ivoire are, therefore, entirely opaque.

385. Given that customs control by the Forces nouvelles is entirely opaque, any measures to prevent the entry of embargoed goods must be enacted by the customs services of neighbouring countries. The present section focuses on Burkina Faso and Mali, which have extensive trade links with northern Côte d'Ivoire.

[28] According to an undated communication sent by the Ministry of Economy and Finance to UNOCI.

386. During a number of visits along Côte d'Ivoire's northern borders, the Group noted that most of the trucks entering Ivorian territory from Burkina Faso and Mali were visibly and incontestably overloaded, in clear breach of international transport regulations.

387. In these cases, cargoes do not conform to their customs declarations, which specify the weight of the consignment. It is obvious that the Burkinabé and Malian customs authorities do not physically check and verify whether the goods on board accord with the relevant customs declarations or consignment notes. Not having inspected cargoes, the Burkinabé and Malian customs authorities are unlikely to intercept embargoed weapons and related materiel, should they wish to.

388. The Group notes, in this regard, ongoing evidence of weapon and ammunition transfers by road from the territory of Burkina Faso into northern Côte d'Ivoire (see S/2010/179, para. 117 and paras. 92-94 of the Arms section above).

389. The lack of control exercised by neighbouring countries also jeopardizes the monitoring and control of commodities leaving Côte d'Ivoire. For example, it is virtually impossible for the Burkinabé or Malian authorities to identify diamonds if they do not inspect commodities entering their territories from Côte d'Ivoire.

390. While this state of affairs persists, it is nearly impossible to detect imports and exports of embargoed materiel at the point of entry/exit into Côte d'Ivoire and investigations must focus on identifying embargoed materiel that has already entered the country (see Arms and Diamonds sections above).

### 3. Necessity of installing effective transport controls

391. Burkina Faso and Mali attribute their lack of customs and transport controls, such as allowing the overloading of vehicles and failing to inspect cargoes, to the crisis in Côte d'Ivoire. They view northern Côte d'Ivoire as an ungoverned territory and are, therefore, unwilling to abide by international transport regulations because they believe that they are unlikely to be held accountable.

392. Because the Forces nouvelles do not enforce any controls that might prevent the entry of embargoed goods, Burkina Faso and Mali need to control the transport of goods to northern Côte d'Ivoire if they are to honour the provisions of the sanctions regime.

393. The Group believes that this will require compliance with international transport regulations, the blocking of vehicles carrying cargoes that do not conform to those regulations, and comprehensive verification of all cargoes entering northern Côte d'Ivoire.

394. The Group further notes, given current indications, that Burkina Faso and Mali are unwilling or unable to implement such measures effectively. In the light of this, the Group recommends that UNOCI deploy customs agents that are capable of effective, 24-hour monitoring of the two primary border-crossing points linking northern Côte d'Ivoire to Burkina Faso and Mali.

395. Specifically, UNOCI should allocate sufficient customs agents and associated peacekeeping personnel to maintain a constant presence at the Forces nouvelles border-crossing posts of Laleraba (Côte d'Ivoire-Burkina Faso) and Pogo (Côte d'Ivoire-Mali).

## C. Transit goods and illicit revenues

396. Transit goods provide numerous opportunities for Ivorian parties to make money illicitly. With the transit "control" systems that are currently in place, road transit is open to all manner of abuses, including unofficial taxation of goods, diversion of export goods onto domestic markets and trafficking of embargoed materiel. The present section provides a description of the transit system currently operating in Côte d'Ivoire and then discusses its impact on the sources of finance that might be used to purchase arms and related materiel in violation of the embargo.

397. The Ivorian Shippers Office (Office ivoirien des chargeurs (OIC)) monitors transit commerce from the ports of Abidjan and San Pedro to neighbouring States.

398. Since April 2010, the Ministry of Transport and Forces nouvelles have operated a new system to monitor trucks destined for Burkina Faso and Mali. The system is supposed to ensure that transit cargoes leave the country and are not offloaded in the Forces nouvelles-controlled north.

399. The system operates by grouping and escorting trucks that carry transit cargoes from the port of Abidjan to Burkina Faso or Mali. In theory, cargoes are under customs surveillance from the moment they are transhipped from containers in the port of Abidjan into trucks.

400. The transporters pay a bond, which is reimbursed once the merchandise leaves the territory of the Côte d'Ivoire customs. In addition, transporters of transit goods pay OIC a road toll of CFAF 100,000-120,000, of which OIC transfers an estimated CFAF 70,000 to the Forces nouvelles treasury, La Centrale.

401. OIC assigns a convoy document to all grouped transit vehicles, which specifies their cargoes. The convoy is then supposedly escorted to Tiébissou by the Ivorian defence and security forces. After Tiébissou, which is the final Government-controlled centre of commerce on their route northwards, the trucks continue without escort to Bouaké. OIC personnel simply make a note of the departure of trucks destined for Bouaké.

Table 12
**Examples of Forces nouvelles taxes on transit to and from Mali**
(in CFA francs)

| *Locations* | *From south to north* | *From north to south* |
|---|---|---|
| Djebonoua | 5 000 | 4 000 |
| Bouaké | 16 000 | 15 000 |
| Katiola | 7 500 | 7 000 |
| Fronan | 1 500 | 1 500 |
| Niakaramandougou | 6 000 | 3 500 |
| Tafiré | 2 500 | 3 000 |
| Gbadikaha | 1 000 | 1 000 |
| Kouroukouna | 1 000 | 1 000 |
| Ferkessédougou | 4 000 | 2 500 |
| Ouangolodougou | 8 500 | 3 500 |

| *Locations* | *From south to north* | *From north to south* |
|---|---|---|
| Niéllé | 2 000 | 2 000 |
| Pogo | 7 000 | 1 000 |
| Pogo (border with Mali) | — | 25 000 |
| **Total** | **62 000** | **70 000** |

*Source*: Group of Experts on Côte d'Ivoire.

402. Although the Forces nouvelles tax the cargoes in Bouaké, they do not escort them further. From Bouaké to the border, the trucks encounter more than 20 checkpoints where the Forces nouvelles levy taxes on cargoes. These taxes vary according to the type of merchandise (see table 13) and range between CFAF 100,000 and CFAF 200,000. The taxes benefit the Forces nouvelles treasury (La Centrale), Forces nouvelles zone commanders and local Forces nouvelles units.

Table 13
**Forces nouvelles taxes on specific commodities**
(in CFA francs)

| *Commodities* | *Taxes per truck* |
|---|---|
| Used footwear | 380 000 |
| Cashew nuts | 215 000 |
| Cattle | 115 000 |
| Millet | 330 000 |
| Leather | 215 000 |
| Cotton | 75 000 |
| Scrap metal | 250 000 |
| Zinc | 850 000 |

*Source*: Group of Experts on Côte d'Ivoire.

403. OIC has offices at the border-crossing points of Pogo (Mali) and Ouangolodougou (Burkina Faso), where it records the physical exit of the vehicles and their cargoes from Ivorian territory and e-mails this information to Abidjan. OIC officials do not, however, verify the contents of cargoes before they leave Pogo or Ouangolodougou.

404. OIC officials maintain that a number of trucks do not reach either Pogo or Ouangolodougou and remain in northern Côte d'Ivoire. Their cargoes, rather than being exported, remain in Côte d'Ivoire. Although the transporter may lose the transit bond in such cases, there are no penalties for diversion and the recipients of cargoes obtain a good price because they do not pay Ivorian import duty.

405. The Group notes that, given the extensive transit trade in the direction of Burkina Faso and Mali, the diversion of cargoes must generate significant revenues for parties in Côte d'Ivoire. It is concerned that these revenues may provide an additional source of unregulated finance which might be used for the purchase of arms and related materiel, in breach of the sanctions regime.

## D. Transit interarmées

406. Transit interarmées is responsible for organizing all Ministry of Defence imports into the territory of Côte d'Ivoire.

407. The Ivorian customs authorities work with Transit interarmées to decide which imported commodities are of a civilian or a military nature. Those of a military nature are exempt from import duties. Transit interarmées informed the Group that its recent imports consisted, mainly, of vehicles, military uniforms and telecommunications equipment.

408. In a meeting with Transit interarmées on 14 May 2010, the Group requested a list of all of that organization's imports since 2004 to check their compliance with the sanctions regime. Transit interarmées informed the Group that that information was kept by the customs authorities and authorized the Director General of Customs to release the required information.

409. The Group repeatedly contacted the Director General to request the statistics and, on each occasion, was informed that the customs authorities were preparing the statistics. After having waited three and a half months for the information, the Group concludes that the Ivorian customs are unwilling to release information on Transit interarmées imports.

410. The Ivorian customs operates a modern computerized system, which makes it possible to retrieve information quickly. The Group seriously doubts assertions by the General Directorate of Customs that the information had not yet been compiled, as of September 2010.

## E. Customs controls at Abidjan International Airport

411. In its midterm report, the Group stressed the need for UNOCI to implement physical inspections of cargoes, based on a risk assessment strategy (see S/2010/179, paras. 122 and 155).

412. Such a strategy requires identifying cargoes for inspection based on a set of criteria, such as shipper, transporter and country of origin. It necessitates having flight plans, which specify the country of origin and carrier, etc., several days in advance of an aircraft's landing, including for irregular flights.

413. Despite the Group's recommendation, the UNOCI Integrated Embargo Cell has not yet been provided with the trained customs personnel to implement a risk assessment-based inspection strategy. In this context, it is important to note that advanced customs control procedures cannot be implemented by military personnel temporarily assigned to the Embargo Cell, but require trained customs officers.

414. The Group reiterates its recommendation that UNOCI hire an additional six customs consultants to assist the UNOCI Embargo Cell (see S/2010/179, para. 123).

415. In this regard, the Group recalls that the Embargo Cell operated without any customs consultants from March to July 2010. It also notes that the current UNOCI customs consultant's contract may expire as early as December 2010.

416. The Group stresses that UNOCI cannot maintain a sufficient embargo monitoring presence if its customs consultants' contracts are not renewed or are too short to allow them to conduct their investigations effectively.

## F. Acquisitions by the security forces of vehicles for military uses

417. As the Group noted in its midterm report, it has pursued numerous investigations into the import of vehicles destined for use by FDS-CI (see S/2010/179, paras. 126-132). Since 2004, the total number of vehicles reported to have been sold to FDS-CI by various Abidjan-based companies is 184. The Group notes that the number of vehicles is large and that they therefore, could have a serious impact on increasing the mobility of Government troops (see paras. 67-70 of the Arms section above).

418. The Group obtained lists of these vehicles from the Abidjan-based firms, including the types of vehicles sold, their chassis numbers and dates of import into Côte d'Ivoire. The Group also obtained customs clearance certificates for the listed vehicles.

**Trucks imported for military uses in Yamoussoukro, 1 October 2009**

*Source*: UNOCI Integrated Embargo Cell.

419. An analysis of those documents indicates that the Ivorian companies imported the vehicles with the direct purpose of supplying FDS-CI. This is in contrast to the importing companies' claims that they import the vehicles for civilian use and only afterwards sell them to FDS-CI.

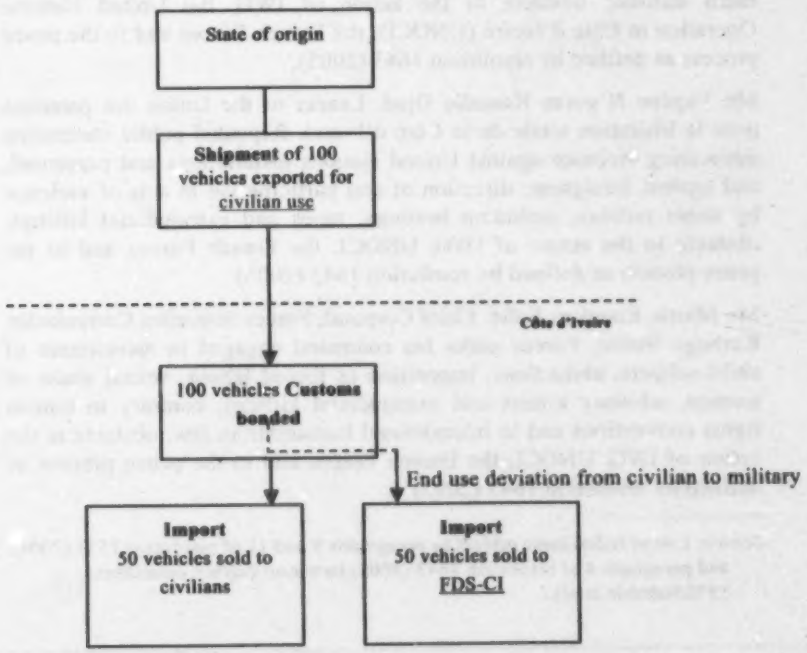
420. First, a number of the customs clearance certificates specify the Ministry of Defence as the recipient. This means that the vehicles were customs bonded upon arrival and then released directly to FDS-CI (technically the point of import). In these cases (see annex XVIII), there is direct evidence of imports destined directly for FDS-CI.

421. Second, some of the customs clearance certificates do not specify the Ministry of Defence as the recipient, but specify the importing company itself. However, the interval between the arrival of the vehicles in Côte d'Ivoire and their delivery to FDS-CI is often as little as 10 days. This suggests that the vehicles have not been imported for general sale to civilians, but for direct transfer to FDS-CI.

422. The Group concludes that the companies concerned import the vehicles for FDS-CI. The vehicles are, therefore, before their import, destined for the defence and security forces. Under these conditions, the Group considers the export of these vehicles to Côte d'Ivoire to be in violation of the sanctions regime.

423. In addition, the Group notes that exports of these vehicles might be considered a case of end use deviation and, possibly, a breach of national laws in the exporting State (fig. V).

Figure V
**End use deviation**


State of origin
Shipment of 100 vehicles exported for civilian use
Côte d'Ivoire
100 vehicles Customs bonded
End use deviation from civilian to military
Import 50 vehicles sold to civilians
Import 50 vehicles sold to FDS-CI

424. The Group recommends that exporting companies take into account the need for their Governments to request an embargo exemption from the Sanctions Committee before further exports of vehicles are made to the security forces in Côte d'Ivoire.

# XI. Individual sanctions

425. On 7 February 2006, the Security Council Committee established pursuant to resolution 1572 (2004) concerning Côte d'Ivoire approved the following list of individuals subject to the measures imposed in accordance with paragraphs 9 and 11 of resolution 1572 (2004), as renewed by paragraph 1 and amended by paragraph 4 of resolution 1643 (2005): Martin Kouakou Fofié, Charles Blé Goudé and Eugène N'goran Kouadio Djué.

426. In accordance with paragraph 4 of resolution 1893 (2009), the Group of Experts is mandated to monitor the individual sanctions imposed on the above-mentioned three persons, consisting of a travel ban and assets freeze.

**Original designation/justification for imposing individual sanctions**

Mr. Charles Blé Goudé: Leader of the Congrès panafricain des jeunes et des patriotes ("Young Patriots"), repeated public statements advocating violence against United Nations installations and personnel and against foreigners; direction of and participation in acts of violence by street militias, including beatings, rapes and extrajudicial killings; intimidation of the United Nations, the International Working Group (IWG), the political opposition and independent press; sabotage of international radio stations; obstacle to the action of IWG, the United Nations Operation in Côte d'Ivoire (UNOCI), the French Forces and to the peace process as defined by resolution 1643 (2005).

Mr. Eugène N'goran Kouadio Djué: Leader of the Union des patriotes pour la libération totale de la Côte d'Ivoire. Repeated public statements advocating violence against United Nations installations and personnel, and against foreigners; direction of and participation in acts of violence by street militias, including beatings, rapes and extrajudicial killings; obstacle to the action of IWG, UNOCI, the French Forces and to the peace process as defined by resolution 1643 (2005).

Mr. Martin Kouakou Fofié: Chief Corporal, Forces nouvelles Commander, Korhogo Sector. Forces under his command engaged in recruitment of child soldiers, abductions, imposition of forced labour, sexual abuse of women, arbitrary arrests and extrajudicial killings, contrary to human rights conventions and to international humanitarian law; obstacle to the action of IWG, UNOCI, the French Forces and to the peace process as defined by resolution 1643 (2005).

*Source*: List of individuals subject to paragraphs 9 and 11 of resolution 1572 (2004) and paragraph 4 of resolution 1643 (2005) (www.un.org/sc/committees/1572/listtable.html).

427. The Group's investigations lead it to conclude that the lack of transparency in Côte d'Ivoire's business and financial services sectors provides the sanctioned individuals with an ideal environment in which to evade the United Nations assets freeze and travel ban.

428. Not only has the Group faced uncooperative business networks, but it is convinced that the Government of Côte d'Ivoire, the Forces nouvelles and neighbouring States are either unwilling or unable to enforce the travel ban and assets freeze.

429. On 5 March 2010, the Group sent a letter to the Government of Burkina Faso requesting, among other things, a report on the results of enforcing decree No. 2010-013 of 2010, which mandates Burkinabé banks to freeze bank accounts in the country of the sanctioned individuals (see annex VIII). While the Group has yet to receive a complete reply to its letter, it is aware that the Government of Burkina Faso has reportedly adopted a set of measures aimed at strengthening its application of sanctions imposed on Cote d'Ivoire.

## A. Martin Kouakou Fofié

430. As a zone commander based in Korhogo, Mr. Fofié benefits from various income related to the administration of his sector, including revenue from businesses, public services and transport.

431. In addition, Mr. Fofié has developed interests in various economic sectors, including real estate (see table 14), mining, telecommunications and trade in commodities and fuel. Member States, however, have not taken any additional effective measures to enforce the sanctions regime imposed on Mr. Fofié.

Table 14
**Estimated annual revenue of Martin Kouakou Fofié from real estate, hotels, bars and diamonds**
(in CFA francs)

| *Source of revenue* | *Quantity* | *Monthly revenue* | *Annual income* |
|---|---|---|---|
| Houses (rental) | 12 | 600 000 | 86 400 000 |
| Hotels (Le Relaxe) | 1 | 2 000 000 | 24 000 000 |
| Bars (Biato, Bolambar, name not known) | 3 | 2 000 000 | 72 000 000 |
| Companies (Cobagiex-Sécurité) | 1 | 2 000 000 | 24 000 000 |
| Diamonds (Tortiya mines) | — | — | 217 500 000 |
| **Total** | | | **423 900 000** |

*Source*: Group of Experts.
*Note*: Mr. Fofié receives between CFAF 600,000 and 2,000,000 per month from each business or property.

432. The Tongon mine, which is situated some 65 km north of Korhogo, is expected to start gold production in the last quarter of 2010. This operation has the potential to generate considerable income for the Korhogo region (Zone 10). The Group believes Mr. Fofié's finances will benefit from this activity, as he taxes a broad range of activities in Zone 10, including mining and road commerce.

### B. Charles Blé Goudé

433. In March 2010, the Group of Experts requested a meeting with Charles Blé Goudé in order to further explain to him the scope of the Group's investigations. On 16 March 2010, the Group held a meeting with Mr. Goudé's Political Secretary in the hope of arranging a face-to-face meeting with Mr. Goudé. The Political Secretary promised to convey the Group's request to Mr. Goudé. To date, however, the Group has not received a response.

434. The Group conducted investigations into Mr. Goudé's interests in the entertainment business in Côte d'Ivoire, in particular the Leaders Team Associated company (see S/2008/598, para. 169).

435. The Group wrote letters to the National Directorate of Taxes and Radio Télévision Ivoirienne to request information on business dealings Mr. Goudé may have had in violation of the sanctions regime, using the Leaders Team Associated company as a front. To date, these letters remain unanswered.

436. Since the imposition of the assets freeze and travel ban on 7 February 2006, political tensions in Côte d'Ivoire have lowered notably. However, in February 2010, the Group witnessed a number of highly aggressive performances by Charles Blé Goudé on Ivorian television. They were largely directed against the former leadership of the Independent Electoral Commission and also against the Prime Minister, Guillaume Soro.

437. The Group believes that, should the political situation in Côte d'Ivoire deteriorate, Charles Blé Goudé will resume his calls for hatred and violence against the United Nations, France, and foreigners in Côte d'Ivoire.

### C. Eugène N'goran Kouadio Djué

438. The Group held a meeting with Mr. Djué on 15 March 2010. The Group used the meeting to explain its mandate in relation to individual sanctions.

439. The Group notes that Mr Djué is the owner of the Hotel Assonvon in the district of Yopougon, Abidjan. It is, as yet, unclear how much revenue Mr. Djué generates from the hotel.

## XII. Recommendations

440. The Group believes that the recommendations contained in its midterm report (see S/2010/179, paras. 142-156) remain valid, but notes the need for action in specific areas of its mandate. It makes the following recommendations.

### A. Arms

441. The Group encourages the Security Council, through the Sanctions Committee, to take a firmer stance against Ivorian parties that breach the embargo or consistently refuse to allow inspections of weapons and ammunition in accordance with the terms of paragraph 5 of resolution 1893 (2009).

442. The Group recommends that the Sanctions Committee consider imposing targeted sanctions against the Minister of Defence of Côte d'Ivoire, Michel Amani N'Guessan and his successors, if the Group of Experts and UNOCI continue to be denied unhindered access to all military sites and installations, including those of the Republican Guard, as demanded by the Security Council in paragraph 5 of resolution 1893 (2009). In this connection, the Group recommends that UNOCI, and future Groups of Experts on taking up their mandate, immediately begin to compile the information necessary for the Sanctions Committee to impose the aforementioned targeted sanctions.

443. The Group recommends that the Sanctions Committee consider imposing targeted sanctions against the Forces nouvelles zone commanders, Ouattara Issiaka and Losseni Fofana, if they continue to refuse to provide the Group and UNOCI with "unhindered access" to military sites and installations, "without notice" and "regardless of location", as demanded by the Security Council in paragraph 5 of resolution 1893 (2009). In this connection, the Group recommends that UNOCI, and future Groups of Experts on taking up their mandate, immediately begin to compile the information necessary for the Sanctions Committee to impose the aforementioned targeted sanctions.

444. The Group recommends that the Sanctions Committee call upon the Government of Morocco to explain its policy of continuing to train Ivorian military personnel, which is in clear violation of the sanctions regime.

## B. Finance

445. The Group recommends that Member States take all possible measures to ensure that multinational companies resident in their territories and with business in Ivorian cocoa, coffee, oil, metals, minerals and timber provide, without fail, all records of their business in Côte d'Ivoire to the Group of Experts, without exception and without delay.

446. The Group recommends that the Government of Côte d'Ivoire expedite the processes of rationalizing and reporting all types of taxes that are not accounted for in the country's budget.

447. The Group recommends that the Forces nouvelles disclose, without delay, its complete budget administered by La Centrale and all military expenses to the Group of Experts.

## C. Diamonds

448. The Group recommends that the Kimberley Process conduct an extensive internal review in the light of the challenges facing it that are noted in paragraphs 220 to 228 of the present report.

449. The Group recommends that the Kimberley Process take the necessary measures to ensure that illicit traders cannot use the Kimberley Process Certification Scheme to trade in illicitly exported Ivorian rough diamonds, including the implementation of origin control measures as part of the Kimberley Process Certification Scheme minimum requirements.

450. The Group recommends that the Government of Liberia take the necessary measures to prevent the illicit inflow of Ivorian rough diamonds by footprinting (and fingerprinting) Liberia's production and by increasing its monitoring of the Liberian diamond fields.

451. The Group recommends that the Government of Ghana amend its system of internal controls by: ensuring traceability from the point of export to the exact mining site; monitoring and policing the mining fields by allocating mining inspectors to monitor the diamond fields; and by increasing the number of Minerals Commission offices in the Akwatia and Bonsa diamond fields.

452. The Group recommends that the Government of Guinea take all necessary measures to prevent the illicit inflow of Ivorian rough diamonds into its system by introducing origin control measures at the point of export, footprinting (and fingerprinting) Guinean rough diamond production, effectively monitoring diamond mining fields and adhering to the Kimberley Process administrative decision on Guinea.

## D. Aviation

453. The Group recommends that the Sanctions Committee demand the cessation of any further flights of the Mi-24 helicopter, including test flights.

454. The Group recommends that UNOCI personnel in charge of securing Côte d'Ivoire's airports immediately inform the UNOCI Integrated Embargo Cell and the Group of Experts of any unidentified or unscheduled flights.

## E. Customs

455. The Group recommends that UNOCI deploy customs inspectors who are capable of effective, 24-hour monitoring of the two primary border-crossing points, Laleraba and Pogo, linking northern Côte d'Ivoire to Burkina Faso and Mali, respectively.

456. The Group recommends that UNOCI reinforce the Embargo Cell with six additional customs consultants.

457. The Group recommends that companies exporting vehicles to the defence and security forces of Côte d'Ivoire or the Forces nouvelles request an embargo exemption from the Sanctions Committee through their respective Governments prior to exporting such vehicles.

## F. Individual sanctions

458. The Group recommends that all Member States, and in particular Côte d'Ivoire and neighbouring States, take all necessary measures to enforce the assets freeze and travel ban imposed on the three sanctioned individuals.

459. The Group recommends that INTERPOL circulate the list of individuals subject to the provisions of paragraphs 9 and 11 of resolution 1572 (2004) and paragraph 4 of resolution 1643 (2005) to its National Central Bureau offices.

# Annex I

## Meetings and consultations held by the Group of Experts in the course of its mandate

### Belgium

#### Government

Ministry of Foreign Affairs; Belgian Federal Police; Région Wallonne (Service Licences)

#### Multilateral and bilateral entities

European Commission, Chair of the Kimberley Process Working Group on Monitoring; Antwerp World Diamond Centre; Chair of the Kimberley Process Working Group of Diamond Experts; World Customs Organization

#### Private sector

International Gemological Institute

### Burkina Faso

#### Government

Ministry of Foreign Affairs and Regional Cooperation; Ministry of Trade for the Promotion of Business and Crafts; Ministry of Mines, Works and Energy; General Directorate of Police; General Directorate of Customs; General Directorate of Civil Aviation; Office of the Chief of Staff, National Gendarmerie; Airport Police, Ouagadougou International Airport Customs; National Commission on Small Arms and Light Weapons

#### Private sector

Chamber of Commerce for the Industry and Craft of Burkina Faso

### Côte d'Ivoire

#### Government

Ministry of Defence; Ministry of the Interior; Ministry of Mines and Energy; General Directorate of Customs; Gendarmerie; Ministry of Economy and Finance, *Régie administrative d'assistance en escale*; *Cellule national de traitement des informations financières de Côte d'Ivoire*; *Transit interarmées*; *Société d'État pour le développement minier de la Côte d'Ivoire*; *Comité de gestion de la filière café-Cacao*; *Centre de commandement des opérations de sécurité*

#### Forces nouvelles

Chef d'État Major, Forces armées nationales de Côte d'Ivoire; *La Centrale*; Commander of Zone 3; Commander of Zone 10

**Diplomatic missions**

Embassy of Belgium; Embassy of Israel; Embassy of South Africa; Embassy of the United Kingdom of Great Britain and Northern Ireland; Embassy of the United States of America; European Union

**Multilateral and bilateral entities**

Agence pour la sécurité de la navigation aérienne en Afrique et à Madagascar; International Monetary Fund; World Bank; African Development Bank

**Private sector**

Compagnie française de l'Afrique occidentale; Comité national de soutien aux forces de réunification; Helog AG; International Aircraft Services Ltd.

## France

**Government**

Ministry of Foreign Affairs; Permanent Mission of France to the United Nations

**Multilateral and bilateral entities**

European Organization for the Safety of Air Navigation (Eurocontrol), International Energy Agency

**Private sector**

Soeximex SA

## Ghana

**Government**

Ministry of Foreign Affairs; Precious Minerals Marketing Company Limited; Customs authorities; INTERPOL (Ghana), Ghana Cocoa Board, Minerals Commission

**Multilateral and bilateral entities**

United Nations Development Programme; World Food Programme

**Private sector**

Fugro Airborne Surveys Ltd.

## Guinea

### Government

Ministry of Foreign Affairs; Ministry of Mines, Energy and Water; Ministry of Security; Ministry of Transport

### Multilateral and bilateral entities

United Nations Development Programme

### Civil society

Centre du commerce international pour le développement

## Israel

### Government

Ministry of Foreign Affairs

### Multilateral and bilateral entities

Kimberley Process Chair

## Liberia

### Government

Ministry of Finance, Bureau of Customs and Excise; Ministry of Foreign Affairs; Ministry of Land, Mines and Energy, Government Diamond Office

## Mali

### Government

Ministry of Foreign Affairs; Ministry of Economy and Finance; National Agency for Civil Aviation; National Directorate of Mines and Geology

### Civil society

Groupe d'appui aux programmes; Partnership Africa Canada; Fondation pour le développement au Sahel; Publish What You Pay — Canada

## Turkey

### Government

Permanent Mission of Turkey to the United Nations

## United Arab Emirates

**Government**

Permanent Mission of the United Arab Emirates to the United Nations

## United Kingdom of Great Britain and Northern Ireland

**Government**

Permanent Mission of the United Kingdom of Great Britain and Northern Ireland to the United Nations

**Multilateral and bilateral entities**

International Cocoa Organization

**Private sector**

Armajaro Holdings Limited; Tullow Oil Plc

## United States of America

**Government**

Department of State; Department of the Treasury; United States Geological Survey; Permanent Mission of the United States of America to the United Nations

**Multilateral and bilateral entities**

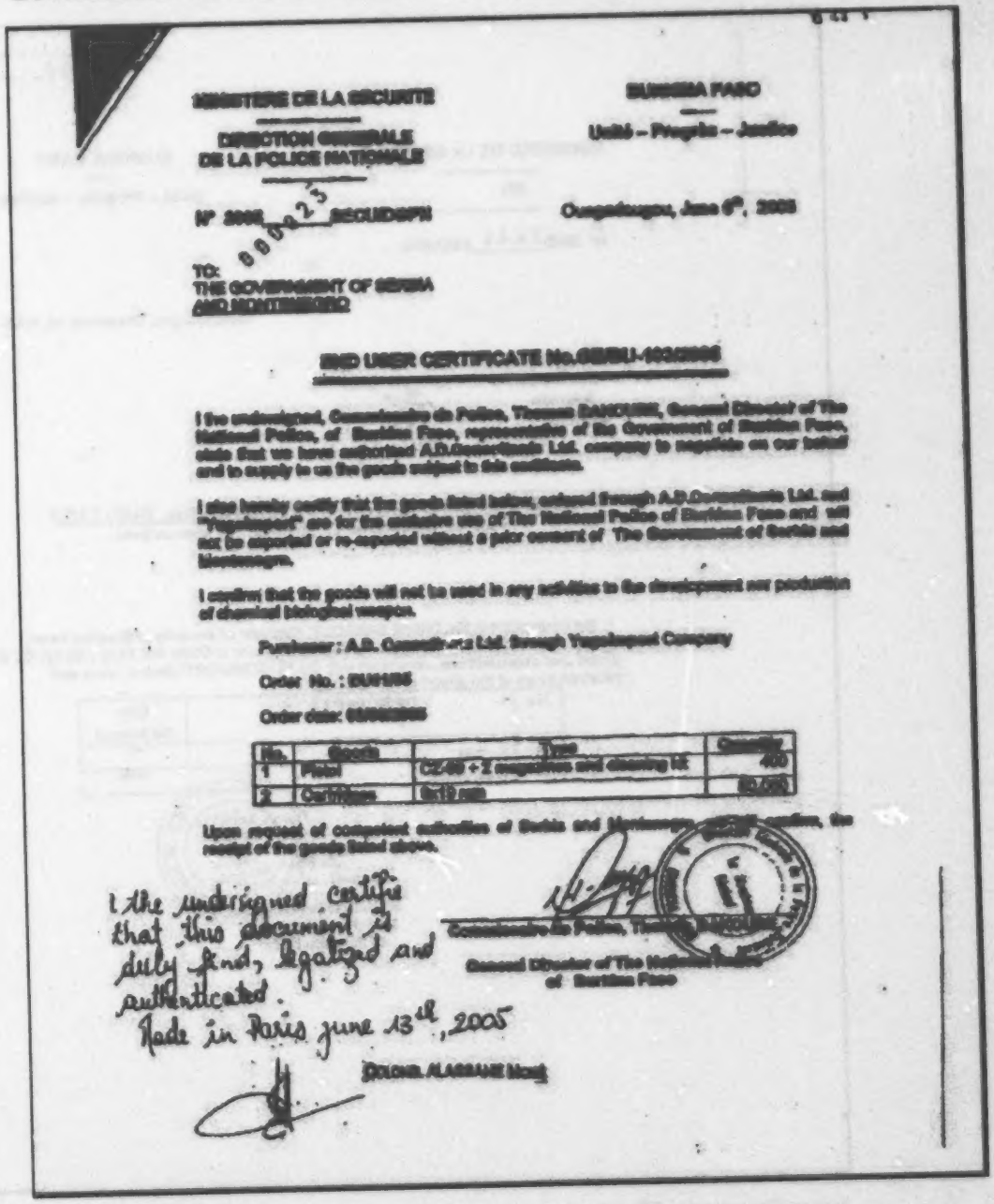
World Diamond Council

**Private sector**

New York Diamond Dealers Club

## Annex II

### End user certificate No. GE/BU-103/2005 issued by the Government o8f Burkina Faso



MINISTERE DE LA SECURITE

DIRECTION GENERALE
DE LA POLICE NATIONALE

N° 2005-0823/MSECU/DGPN

TO:
THE GOVERNMENT OF SERBIA
AND MONTENEGRO

BURKINA FASO

Unité – Progrès – Justice

Ouagadougou, June 6th, 2005

END USER CERTIFICATE No.GE/BU-103/2005

I the undersigned, Commissaire de Police, Thomas BASCOMS, General Director of The National Police, of Burkina Faso, representative of the Government of Burkina Faso, state that we have authorized A.D.Consultants Ltd. company to negotiate on our behalf and to supply to us the goods subject to this certificate.

I also hereby certify that the goods listed below, ordered through A.D.Consultants Ltd. and "Yugoimport" are for the exclusive use of The National Police of Burkina Faso and will not be exported or re-exported without a prior consent of The Government of Serbia and Montenegro.

I confirm that the goods will not to used in any activities to the development nor production of chemical biological weapon.

Purchaser: A.D. Consultants Ltd. through Yugoimport Company

Order No. : BU0105

Order date: 03/06/2005

| No. | Goods | Type | Quantity |
|---|---|---|---|
| 1 | Pistol | CZ-99 + 2 magazines and cleaning kit | 400 |
| 2 | Cartridges | 9x19 mm | 80,000 |

Upon request of competent authorities of Serbia and Montenegro, I confirm, the receipt of the goods listed above.

Commissaire de Police, Thomas BASCOMS

General Director of The National Police of Burkina Faso

I the undersigned certify that this document is duly find, legalized and authenticated.
Made in Paris june 13th, 2005

SOUMA ALASSANE Nouh

*Source*: A.D. Consultants.

# Annex III

## Delivery verification certificate No. BUR-11/05 issued by the Government of Burkina Faso

B2-3

MINISTERE DE LA SECURITE

SG

BURKINA FASO

Unité – Progrès – Justice

N° 2005 2441 /SECU/SG

Ouagadougou, December 16, 2005

To:

*YUGOIMPORT*

Belgrade

SERBIA

**DELIVERY VERIFICATION CERTIFICATE No. BUR- 11/05**

Order No. BU/01-05 for CZ 99 pistol and ammunitions

I, the undersigned, Mr. Djibrill BASSOLE, Minister of Security of Burkina Faso, hereby confirm that the military goods listed below and in Order No. BU/01-05 for CZ 99 pistol and ammunitions, concluded with the YUGOIMPORT\ Serbia, were well received by us at the airport of Ouagadougou.

| No | DESCRIPTION | Qty Delivered |
|---|---|---|
| 1 | Pistol CZ99 | 400 |
| 2 | Ammunition + Parts | 40,000 |

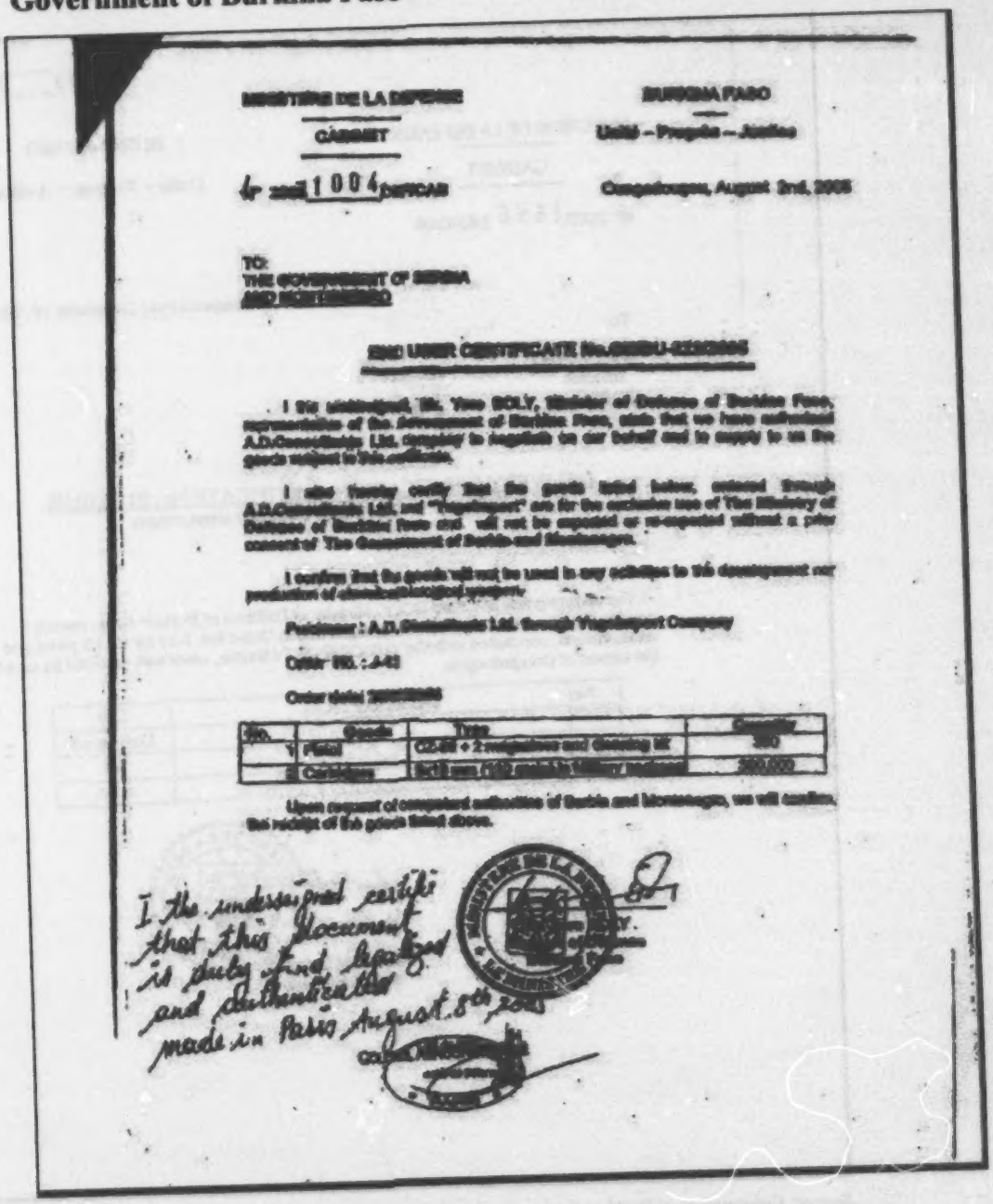
BURKINA FASO * Le Ministre * MINISTERE DE LA SECURITE

M. Djibrill BASSOLE
Minister of Security
of Burkina Faso

*Source*: Government of Burkina Faso.

## Annex IV

## End user certificate No. GE/BU-222/2005 issued by the Government of Burkina Faso



MINISTERE DE LA DEFENSE

CABINET

N° 2005 1004 /MDNAC/CAB

BURKINA FASO

Unité – Progrès – Justice

Ouagadougou, August 3rd, 2005

TO:
THE GOVERNMENT OF SERBIA
AND MONTENEGRO

END USER CERTIFICATE No.GE/BU-222/2005

I the undersigned, Mr. Yero BOLY, Minister of Defence of Burkina Faso, representative of the Government of Burkina Faso, state that we have authorized A.D.Consultants Ltd, company to negotiate on our behalf and to supply to us the goods subject to this certificate.

I also hereby certify that the goods listed below, entered through A.D.Consultants Ltd, and "Yugoimport" are for the exclusive use of The Ministry of Defence of Burkina Faso and will not be exported or re-exported without a prior consent of The Government of Burkina and Montenegro.

I confirm that the goods will not be used in any activities to the development nor production of chemical/biological weapons.

Purchaser : A.D. Consultants Ltd. through Yugoimport Company

Order NO. : A-02

Order dated 28/07/2005

| No. | Goods | Type | Quantity |
|---|---|---|---|
| 1 | Pistol | cal.9X19 + 2 magazines and Cleaning kit | 300 |
| 2 | Cartridges | 9X19 mm FMJ ammo for Military purposes | 300.000 |

Upon request of competent authorities of Serbia and Montenegro, we will confirm the receipt of the goods listed above.

I the undersigned certify that this document is duly signed, legalized and authenticated made in Paris August 8th 2005

Source: A.D. Consultants.

# Annex V

## Delivery verification certification No. BUR-02/05 issued by the Government of Burkina Faso

R3-3

MINISTERE DE LA DEFENSE

CABINET

BURKINA FASO

Unite - Progres - Justice

N° 2005 1656 DEF/CAB

Ouagadougou, December 16, 2005

To:

*YUGOIMPORT*
Belgrade
SERBIA

DELIVERY VERIFICATION CERTIFICATE No. BUR- 02/05
Order No. J-12 for CZ 99 pistol and ammunitions

I, the undersigned, Mr. Yero BOLY, Minister of Defense of Burkina Faso, hereby confirm that the military goods listed below and in Order No. J-12 for CZ 99 pistol and ammunitions, concluded with the YUGOIMPORT / Serbia, were well received by us at the airport of Ouagadougou.

| No | DESCRIPTION | Qty Delivered |
|---|---|---|
| 1 | [illegible] | [illegible] |
| 2 | [illegible] | [illegible] |

M. Yero BOLY
Minister of Defense
of Burkina Faso

MINISTERE DE LA DEFENSE LE MINISTRE

*Source*: Government of Burkina Faso.

## Annex VI

## Response from the Government of Burkina Faso

BURKINA FASO
Unité – Progrès – Justice

Mission Permanente
auprès des Nations Unies

N° 10.525 /MAECR/ DCBUno

New York, le JUIN 16 2010

V/Réf.

Objet : Votre demande d'informations

Monsieur le Coordonnateur,

Faisant suite à votre lettre n° S/AC.45/2010/GE/OC.107 du 1er juin 2010, sollicitant des informations sur les armes et munitions perdues par les Forces armées nationales et la Police nationale du Burkina Faso, j'ai l'honneur de porter à votre connaissance ce qui suit :

1. Après vérification par les services compétents des Ministères de la Défense et de la Sécurité, il ressort que des commandes de munitions telles que mentionnées dans votre lettre ci-dessus référencée, ont été effectivement passées et des livraisons reçues. ;

2. Des munitions 9x9 mm ont été perdues lors des rixes survenues entre éléments militaires et policiers les 20 et 21 décembre 2006, et des mutineries dans divers camps militaires, les 29 et 30 décembre 2006 ;

3. Aucun transfert d'armes ni de munitions des Forces armées n'a été effectué par le Burkina Faso en direction de pays tiers.

Vous voudrez bien trouver en annexe les documents fournissant la liste des matériels perdus, la situation de leurs pertes, ainsi que les conditions légales de leur importation.

.../...

866 United Nations Plaza First Avenue, Suite 326/327A New York, N.Y. 10017
Téléphone : (1) 212-308-4720/21 – Fax: (1) 212-308-4880 – E-mail: bfmission@un.int – Website: www.burkina-un.org

*Source*: Government of Burkina Faso.

# Annex VII

## Arms reported lost during 2006 disturbances in Burkina Faso

**ANNEXE VIII : CARACTERISTIQUES DES ARMES EMPORTEES AU CAMP CRS.**

**I - Etat des fusils Kalachnikovs volés**

| | |
|---|---|
| 01 | 0074 |
| 02 | 0079 |
| 03 | 1214 |
| 04 | A-2366 |
| 05 | 3180 |
| 06 | 3181 |
| 07 | 6462 |
| 08 | 6712 |
| 09 | AB-8621 |
| 10 | 8419-K |
| 11 | 9203 |
| 12 | 9584 |
| 13 | 883884 |

**NB** : Des treize (13) fusils Kalachnikov préalablement déclarés volés, cinq (05) ont été retrouvés. Il s'agit des numéros 0079, 3K7471, AB-8621, A-2366, 6462.

**II - Etat des G3 volés.**

| | |
|---|---|
| 01 | 101 |
| 02 | 424 |
| 03 | 426/537 |
| 04 | 14121 |
| 05 | 18664 |
| 06 | 18979 |
| 07 | 20048 |

**NB** : Des sept G3 préalablement déclarés volés, six ont été retrouvés. Le seul G3, le numéro 20048 est resté introuvable. Il est le fusil que détenait F. TIENDREBEOGO Laurent au moment de son assassinat.

**III - Etat des pistolets automatiques (P.A) et munitions Volés.**

| | | |
|---|---|---|
| 01 | Sig-Sawer-NP 22 | 5001952 |
| 02 | Sig-Sawer-NP 22 | 6001696 |
| 03 | Sig-Sawer-NP 22 | 6001881 |
| 04 | Jéricho | 32302621 |
| 05 | Jéricho | 3234415 |
| 06 | Munitions 9 mm dont nombre indéterminé | ? |

**NB** : Toutes ces armes ont disparu pendant que la CRS était sous la garde d'une unité de la gendarmerie. Elles sont demeurées introuvables.

**IV - Etat des fusils lance-grenades (FLG) Volés de l'armurerie**

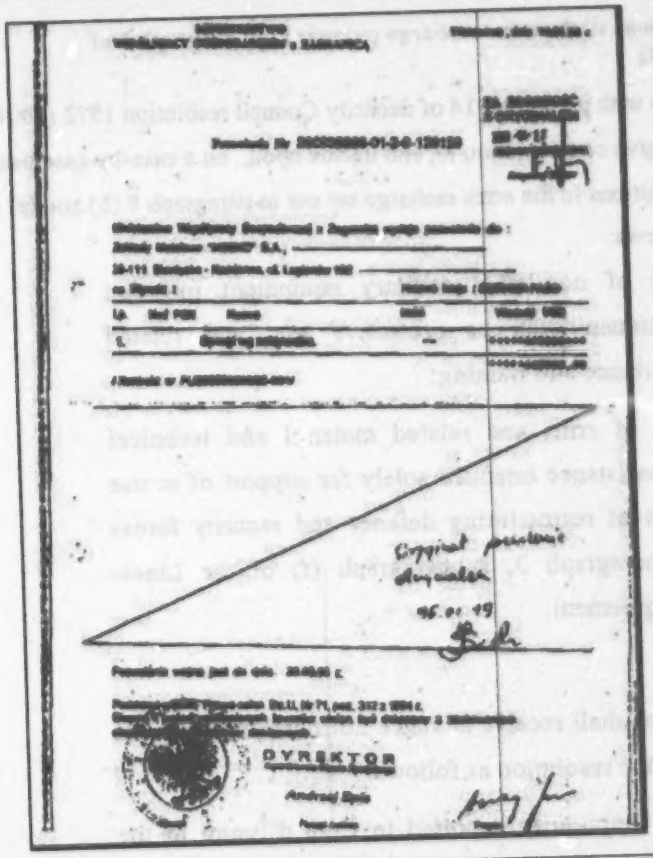
| | |
|---|---|
| 01 | P 10149 |
| 02 | P 10150 |

**NB** : Toutes les armes emportées par la gendarmerie de l'armurerie ont été restituées à la DGPN à l'exception des deux (02) FLG

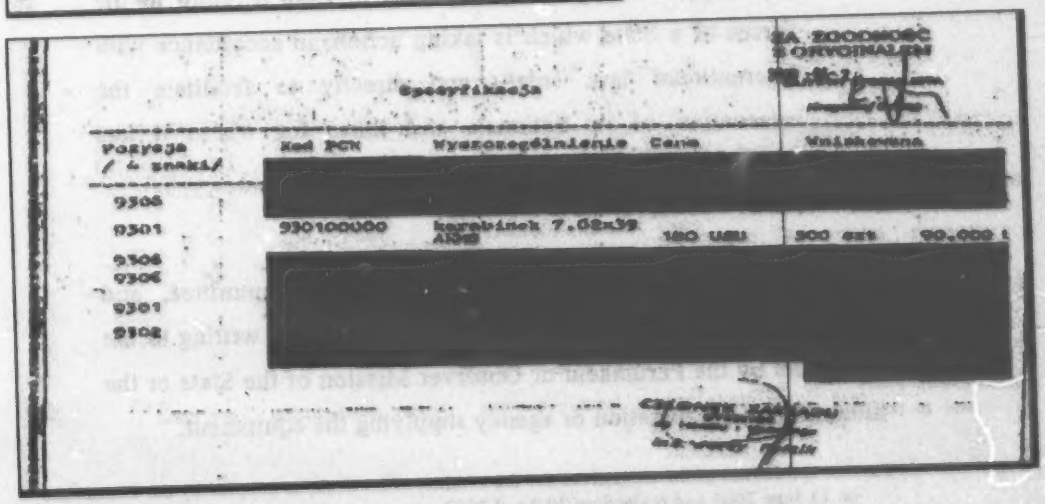
*Source*: Government of Burkina Faso.

# Annex VIII

## Transfer records of the Government of Poland



DYREKTOR



Specyfikacja

| Pozycja / 4 znaki/ | Kod PCN | Wyszczególnienie Towa | Ilość/wartość |
|---|---|---|---|
| 9305 | | | |
| 9301 | 930100000 | karabinek 7.62x39 AKM | 180 UBU 300 szt 90.000 t |
| 9306 | | | |
| 9306 | | | |
| 9301 | | | |
| 9302 | | | |

*Source*: Government of Poland.

# Annex IX

## Requests for exemptions to the arms embargo

**Requests for exemptions to the arms embargo pursuant to paragraph 8 of resolution 1572 (2004)**

19. In accordance with paragraph 14 of Security Council resolution 1572 (2004), the Committee shall give consideration to, and decide upon, on a case-by-case basis, requests for the exemptions to the arms embargo set out in paragraph 8 (b) and (e) of the resolution, as follows:

> (b) supplies of non-lethal military equipment intended solely for humanitarian or protective use, and related technical assistance and training;
>
> (e) supplies of arms and related materiel and technical training and assistance intended solely for support of or use in the process of restructuring defence and security forces pursuant to paragraph 3, subparagraph (f) of the Linas-Marcoussis Agreement.

20. The Committee shall receive advance notification as set out in paragraph 8 (d) of the resolution as follows:

> (d) supplies temporarily exported to Côte d'Ivoire to the forces of a State which is taking action, in accordance with international law, solely and directly to facilitate the evacuation of its nationals and those for whom it has consular responsibility in Côte d'Ivoire.

21. Requests for advance approval by the Committee, and notifications to the Committee, shall be submitted in writing to the Chairman by the Permanent or Observer Mission of the State or the international organization or agency supplying the equipment.

*Source*: Guidelines of the Committee for the conduct of its work, as adopted by the Committee on 13 June 2005 and revised on 20 April 2007.

# Annex X

## Statistics of cocoa exports from Burkina Faso

| Year | Country of destination | Weight | Value (CFAF) |
|---|---|---|---|
| 2005 | Togo | 4 861 038 | 380 661 249 |
| 2005 | France | 399 790 | 27 248 946 |
| 2005 | Italie | 288 988 | 22 752 000 |
| 2005 | Royaume-Uni | 111 300 | 8 384 300 |
| 2005 | Côte d'Ivoire | 5 849 096 | 1 016 138 684 |
| Total | | 11 510 213 | 1 455 183 179 |
| 2006 | Togo | 5 201 645 | 386 167 240 |
| 2006 | Côte d'Ivoire | 218 466 | 17 216 828 |
| Total | | 5 420 111 | 413 383 068 |
| 2007 | Togo | 3 005 964 | 234 343 750 |
| 2007 | Royaume-Uni | 654 088 | 50 733 200 |
| 2008 | Togo | 916 300 | 70 269 000 |
| Total 2008 | | 4 576 352 | 355 345 950 |
| 2009 | Togo | 1 267 200 | 88 800 000 |
| Total 2009 | | 1 267 200 | 88 800 000 |

*Source*: Confidential.

# Annex XI

## Decree No. 2010-013 of Burkina Faso

MINISTERE DE L'ECONOMIE ET DES FINANCES
-.-.-.-.-.-.-
SECRETARIAT GENERAL
-.-.-.-.-.-.-
DIRECTION GENERALE DU TRESOR ET DE LA COMPTABILITE PUBLIQUE
-.-.-.-.-.-.-
DIRECTION DES AFFAIRES MONETAIRES ET FINANCIERES

BURKINA FASO
*Unité - Progrès - Justice*

ARRETE N°2010 013 /MEF/SG/DGTCP/DAMOF portant sur le gel de tous les comptes bancaires appartenant messieurs Charles BLE GOUDE, Eugène N'Goran Koui DJUE et Martin Kouakou FOFIE au Burkina Faso.

**LE MINISTRE DE L'ECONOMIE ET DES FINANCES**

**Vu** la constitution ;

**Vu** le décret n°2007-349/PRES du 04/06/2007, portant nomination du Premier Ministre ;

**Vu** le décret n°2008-517/PRES/PM du 03/09/2008, portant remaniement du Gouvernement du Burkina Faso ;

**Vu** le décret n°2007-424/PRES/PM/SGG-CM du 13/07/2007, portant attributions des membres du Gouvernement ;

**Vu** le décret n°2008-154/PRES/PM/MEF du 02/04/2008, portant organisation du Ministère de l'Economie et des Finances ;

**Vu** le règlement n°R09/98/CM/UEMOA du 20 décembre 1998 relatif aux relations financières extérieures des Etats membres de l'Union Economique et Monétaire Ouest Africaine (UEMOA) ;

**Vu** le règlement n°14/2002/CM/UEMOA relatif au gel des Fonds et autres ressources financières dans le cadre de la lutte contre le financement du terrorisme dans les Etats membres de l'Union Economique et Monétaire Ouest Africaine (UEMOA) ;

**Vu** la loi n°26-2006/AN du 28 novembre 2006 relative à la lutte contre le blanchiment de capitaux ;

**Considérant** la résolution 1572 adoptée par le Conseil de Sécurité à sa 5078ème séance du 15 novembre 2004 qui stipule que tous les Etats doivent prendre les mesures nécessaires pour empêcher l'entrée ou le passage en transit sur leur territoire de toutes les personnes désignées qui font peser une menace sur le processus de paix et réconciliation nationale en Côte d'Ivoire, notamment celles qui entravent l'application des Accords de Linas-Marcoussis et d'Accra III ;

**Considérant** la résolution 1643 adoptée par le Conseil de Sécurité à sa 5327ème séance du 15 décembre 2005 qui invite le Secrétaire Général du recueillir et analyser toutes informations pertinentes en Côte d'Ivoire et ailleurs, en collaboration avec les gouvernements de ces pays, sur les [illegible] d'armes et de matériels connexes, sur la fourniture de

toute assistance ainsi que sur les questions de financement, relatives à l'exploitation des ressources naturelles en Côte d'Ivoire ;

Considérant la résolution1842 adoptée par le Conseil de Sécurité à sa 6004ème séance du 29 octobre 2008 qui a décidé de proroger, jusqu'au 31 octobre 2009, les mesures imposées par la résolution 1572 (2004) concernant les armes, d'une part, et les mesures concernant les avoirs financiers et les restrictions de déplacement d'autre part, ainsi que celles, imposées par la résolution 1643 (2005) interdisant l'importation par quelque Etat que ce soit de tout diamants brut provenant de la Côte d'Ivoire ;

Considérant la résolution1893 adoptée par le Conseil de Sécurité à sa 6209ème séance du 29 octobre 2009 qui décident de proroger, jusqu'au 31 octobre 2010, les mesures concernant les armes, les finances et les voyages, ainsi que l'interdiction faite à tout Etat d'importer les diamants bruts provenant de Côte d'Ivoire.

## ARRETE

Article 1er: Les comptes bancaires appartenant aux personnes ci-après sont gelés dans toutes les banques du Burkina Faso.

Article 2 : Ces personnes sont Messieurs Charles BLE GOUDE, Eugène N'Goran Kouadio DJUE et Martin Kouakou FOFIE.

Article 3 : Le Directeur Général du Trésor et de la Comptabilité Publique, le Directeur National de la BCEAO pour le Burkina et les premiers responsables de banques établies au Burkina Faso sont chargés, chacun en ce qui le concerne, de l'exécution du présent arrêté qui entrera en vigueur à compter de la date de signature et sera publié au Journal Officiel du Faso.

Ouagadougou, le 15 janvier 2010

Lucien Marie Noël BEMBAMBA /-
Officier de l'Ordre National

Annotation

*Source*: Authorities, Burkina Faso.

# Annex XII

## First reply of PETROCI

Fév 01 2010 19:10 FAX HP LASERJET P.1

SOCIETE NATIONALE D'OPERATIONS PETROLIERES
DE LA COTE D'IVOIRE
BP V 194 Abidjan Côte d'Ivoire

Tél : (225) 20-20-25-00
(225) 20-21-40-00
(225) 21-75-22-00 N° Vridi
Télex : PETROCI 22136 ABIDJAN
Télécopie : (225) 20-21-00-24 / 21-27-00-14 N° Vridi

**TELEFAX MESSAGE**

| | |
|---|---|
| De/From: | Kassoum FADIKA, Directeur Général |
| A/To: | David BIGGS |
| Fax N°: | +1 212-963-1300 |
| Date: | 01 FEVRIER 2010 |
| Message N°: | |
| Objet/Subject | Informations relatives au pétrole et gaz naturel |
| Pages, y compris cette page: | 01 |

**MESSAGE:**

Monsieur BIGGS,

Nous accusons réception de votre fax relatif au sujet cité en objet.

L'examen du document joint à votre fax ne nous indique pas que le secteur pétrole et gaz est expressément visé par la résolution.

Toutefois nous voudrions vous rappeler que compte tenu du statut de société d'Etat de PETROCI, de telles informations ne peuvent être fournies qu'avec l'accord du Gouvernement, notamment les ministères de tutelle.

Nous vous recommandons donc d'approcher le gouvernement.

Nous vous prions d'agréer, Monsieur Bigge, nos sincères salutations.

Le Directeur Général

PETROCI HOLDING

Kassoum FADIKA

Société Anonyme au capital de 30 000 000 000 de francs cfa

*Source*: PETROCI.

# Annex XIII

## Second reply of PETROCI

Tél. : 20 20 25 00
20 21 40 98
Fax : 20 21 48 24

SOCIETE NATIONALE D'OPERATIONS PETROLIERES
DE LA CÔTE D'IVOIRE

BP V 194 Abidjan Côte d'Ivoire

Abidjan, le 24 février 2010

A

Monsieur Jason BEVAN
Coordonnateur du Groupe d'Experts sur
la Côte d'Ivoire établi par la résolution 1893
(2009) du Conseil de Sécurité

N/ Réf : *FK/DG/DDB/CSI/DAAA-094/10*

Objet : *Votre courrier réf.S/AC.43/2010/OE/DC.33 du 09 février 2010.*

Monsieur,

Votre courrier référencé en objet nous fait réagir essentiellement sur deux points :

1°) Vous demandez à notre compagnie de vous communiquer les réglementations légales qui l'empêcheraient de partager [illegible] avec le Groupe ». Ce qui pourrait laisser croire que nous refusons de vous communiquer certaines informations en nous abritant derrière des dispositions légales.

Nous voudrions ici rappeler que la transparence, la bonne gouvernance et le comportement éthique sont des éléments caractéristiques de notre mode de gestion, d'où notre adhésion sans conditions, à l'Initiative pour la Transparence des Industries Extractives (ITIE). Seulement, nous souhaitons que la collaboration envisagée se situe dans le cadre formel établi par les textes qui régissent le fonctionnement de notre entreprise et qui fait que vos droits et nos obligations, légitimés par les Nations Unis, s'exercent par le canal de notre Gouvernement. Du reste, c'est ce que dit la résolution 1727 paragraphe 7-b précité en ces termes : « le Groupe a pour missions de Recueillir et analyser toutes informations pertinentes en Côte d'Ivoire et ailleurs, en coopération avec les gouvernements de ces pays sur (…) les sources de financement, notamment l'exploitation des ressources naturelles en Côte d'Ivoire, consacrées à l'acquisition d'armes et de matériels connexes ou se rapportant à des activités apparentées ».
De ce point de vue donc, le Gouvernement de la République de Côte d'Ivoire est le seul habilité à instruire la Société Nationale que nous sommes, aux fins de partager toutes informations qu'il précise, avec toute institution internationale que ce soit et nous n'avons aucunement l'intention de violer nos lois et règlements même sous la menace. Au demeurant, les fondements de la bonne gouvernance ne sauraient en aucun cas déroger au principe du respect scrupuleux des lois et règlement en vigueur dans notre pays. A cet effet, nous vous invitons à vérifier lesdits textes et lois auprès des administrations concernées.

2°) Vous indiquez en outre que : « toutes les firmes opérant en Côte d'Ivoire en relation avec la production, se réfèrent à PETROCI comme seule et unique institution concernée».
A ce sujet, il serait déjà judicieux que vous nous indiquiez toutes les firmes qui affirment cela afin de mieux confronter les informations concernées durant vos travaux.

Nous voudrions en outre, préciser que PETROCI n'est pas la seule et unique institution concernée, même si bien évidemment, elle joue un rôle central dans l'activité pétrolière en Côte d'Ivoire. Ce qui se justifie pleinement quand on sait qu'à l'instar de nombreux autres pays, la Société Nationale est le levier administratif et/ou technique du Gouvernement dans le secteur pétrolier des Etats ; d'où son rôle forcément prépondérant de tous points de vue, dont notamment, celui qui vous intéresse à savoir, la vérification d'informations financières et de production.

C'est le lieu de rappeler que des institutions telles que la Banque Mondiale et le FMI s'appuient régulièrement sur PETROCI (au moins deux fois par an) pour tous besoins d'informations sans que cela ne fasse l'objet de débats et à la satisfaction de tous ; bien sûr, sous l'autorité de notre Ministère de l'Economie et des Finances.
En tout état de cause, toutes les informations dont vous pourrez avoir besoin ont été transmises au Comité Nationale de l'ITIE dont le rapport final devrait être prêt très prochainement.

Nous espérons avoir répondu à vos préoccupations, en insistant sur le fait que nos observations ne sont aucunement la manifestation d'un quelconque refus de coopérer avec votre institution et restons disponibles pour une collaboration franche, sincère et surtout respectueuse des règles et procédures établis.

Nous vous souhaitons bonne réception de la présente et vous prions de croire, Monsieur, en nos sincères salutations.

LE DIRECTEUR GENERAL

Kassoum FADIKA

*Source*: PETROCI.

## Annex XIV

### Ghana's system of internal controls

**Picture A: Ghana's diamond receipt**

**Picture B: Ghana's rough diamond purchase voucher (PV)**

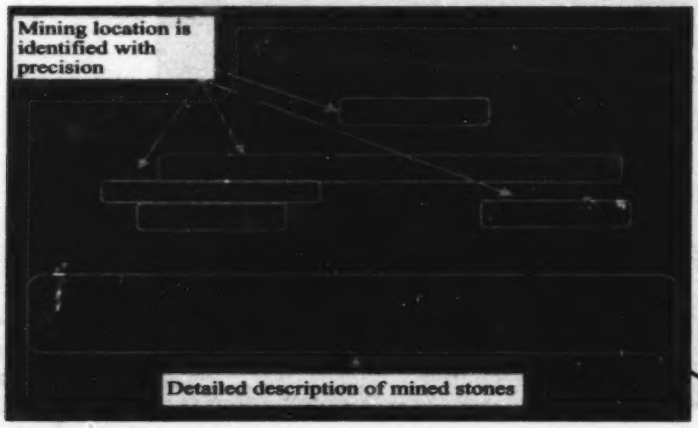
Diamond receipt is ***not*** linked to purchase voucher

*Source*: Group of Experts on Côte d'Ivoire.

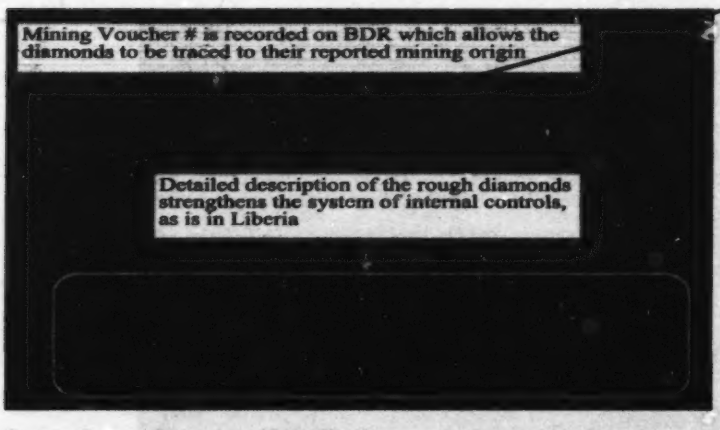
# Annex XV

## Liberia's system of internal controls

**Picture A: Liberia's mineral voucher (MV)**




**Picture B: Liberia's broker/dealer receipt (BDR)**


Mining Voucher # is recorded on BDR which allows the diamonds to be traced to their reported mining origin
Detailed description of the rough diamonds strengthens the system of internal controls, as is in Liberia

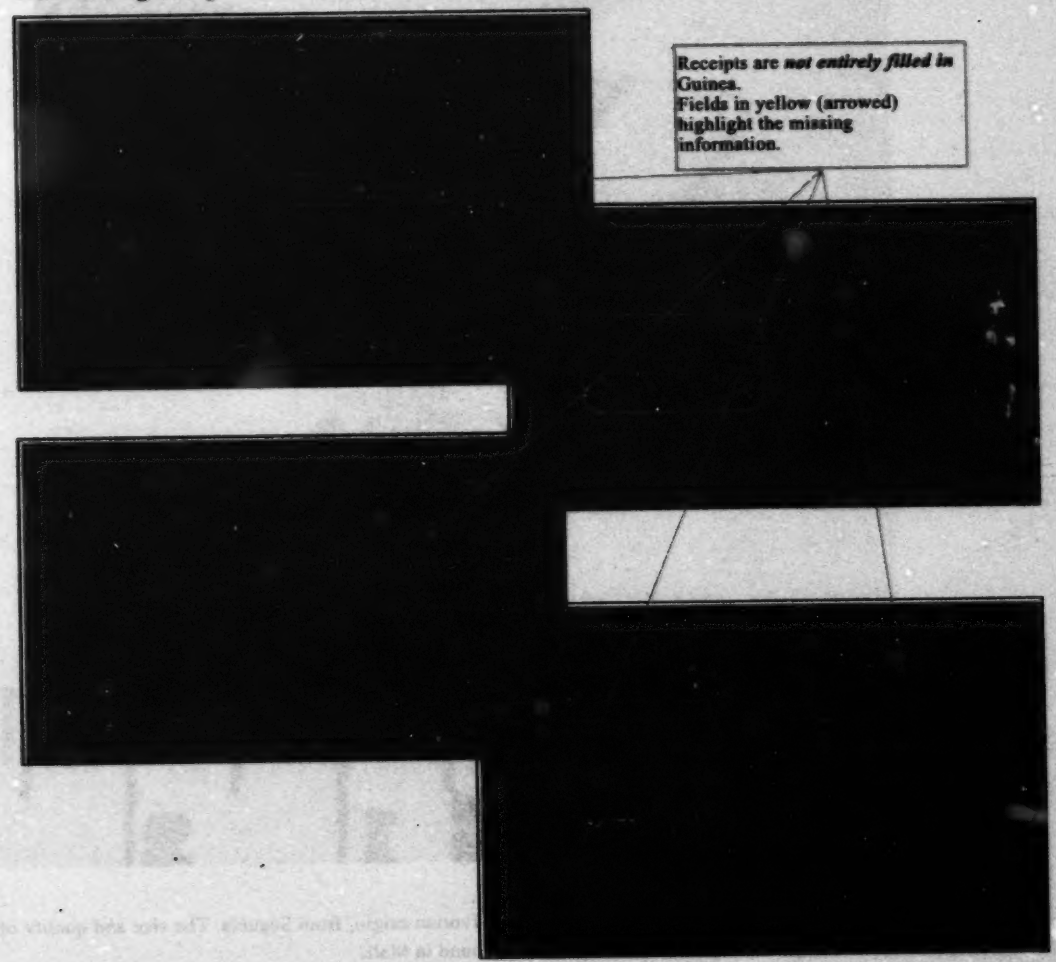
The buyer/dealer receipt ***is linked*** to the mineral voucher

*Source*: Group of Experts on Côte d'Ivoire.
*Abbreviations*: GDO, Government Diamond Office; KP, Kimberley Process.

# Annex XVI

## Guinea's system of internal controls

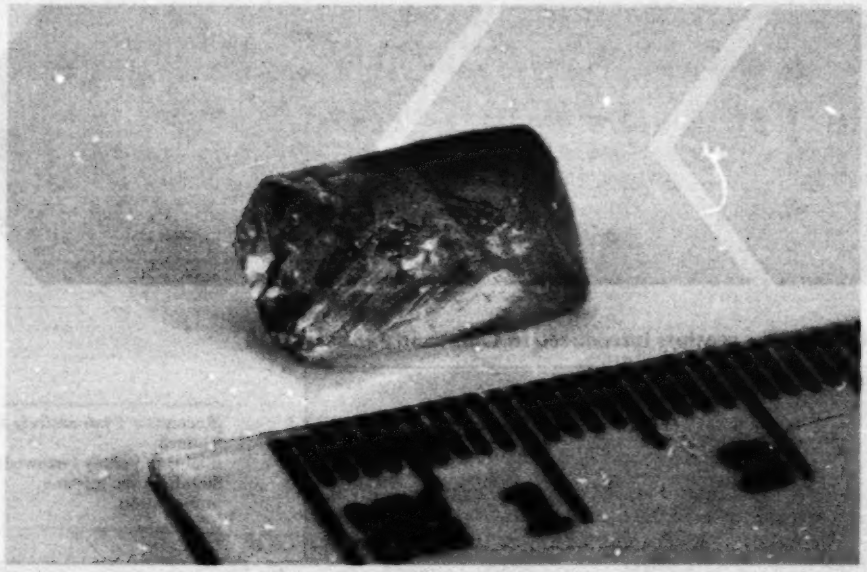
**New trading receipts introduced in Guinea in January 2010**

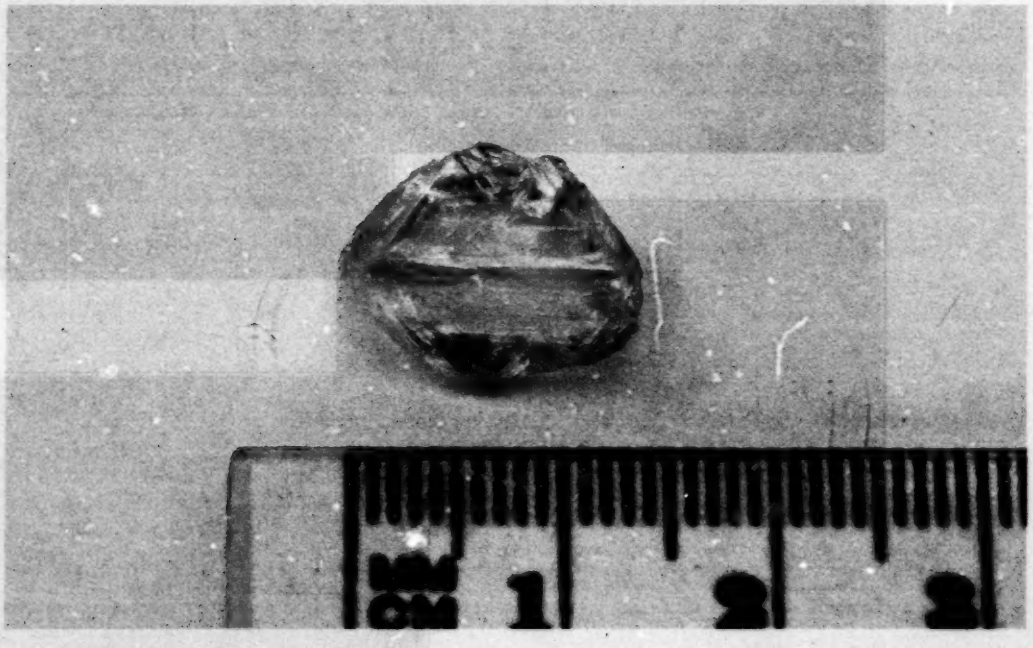



*Source*: Group of Experts on Côte d'Ivoire.

# Annex XVII

## Pictures of Ivorian rough diamond detained in Israel





*Source*: Israeli authorities.

*Note*: The diamond was identified as being of Ivorian origin, from Séguéla. The size and quality of the diamond is typical of the type of Ivorian diamonds found in Mali.

# Annex XVIII

## Customs clearance certificate

DIRECTION GENERALE DES DOUANES
DIRECTION DE LA REGLEMENTATION
SOUS-DIRECTION DU TARIF ET DE LA VALEUR

REPUBLIQUE DE COTE D'IVOIRE
UNION – DISCIPLINE – TRAVAIL

Nº 102205

**CERTIFICAT DE MISE A LA CONSOMMATION DE VEHICULES NEUFS**

N° SERIE DGD : 727 du 26-3 2010

Nous soussignés, Sous-Directeur du Tarif et de la Valeur et Inspecteur des Douanes à Abidjan, certifions que le véhicule débarqué du S/B GRANDE AFRICA
appartenant à M MINISTERE DE LA DEFENSE P/C ETAT MAJOR BP V 11 ABJ
a été mis à la consommation suivant :

- D 3 N° C 6910 du 25 / 03 / 20 10
- Liquidation n° L 7372 du 25 / 03 / 2010 et a fait l'objet de la quittance n° ____ du ____ 20
- et consiste en : 1 VEHICULE
- Marque : T O Y O T A L/C PU 79 N° Moteur : ____
- Type : ____ N° Chassis JTEBB71 J60 708 4982
- Puissance : ____ Immatriculation : ____

En foi de quoi nous lui délivrons le présent certificat pour servir et valoir ce que de droit.

Le Sous-Directeur du Tarif et de la Valeur,

Fait à Abidjan, le 25 / 03 / 2010
L'Inspecteur des Douanes,

DOUANES IVOIRIENNES
GUICHET UNIQUE AUTOMOBILE
République de Côte d'Ivoire
DOUANES

N.B. : Le présent document qui n'est pas la carte grise devra être présenté dans les meilleurs délais au service des Transports Terrestres en vue de l'immatriculation dans la série normale et de l'obtention de la carte grise.

*Source*: Group of Experts on Côte d'Ivoire.